Austria ... Sch. 15	Indonesia .. Rp 2500	Portugal ... Esc 65
Bahrain .. Din.0.650	Italy ...... L 1100	S. Arabia .. Rls 6.00
Belgium BFr.35	Japan Y550	Singapore . S$ 4.10
Canada ... C$1.00	Jordan ... Fils 500	Spain ..... Pts 95
Cyprus .. Mils 500	Kuwait ... Fils 500	Sri Lanka ... Rup 30
Denmark .. Dkr.7.00	Lebanon .. L£ 6.00	Sweden .. Skr 6.50
Egypt .... E£1.00	Luxembourg LFr 35	Switzerland . SwFr 2
Finland .. Fmk 5.50	Malaysia .. Rm 4.25	Taiwan ... NT$35
France .. FFr 5.50	Mexico .. Pes. 300	Tunisia .. Din 0.600
Germany . DM 2.00	Morocco .. Dh 6.00	Turkey .... L 160
Greece ...... Dr 80	Netherlands . Fl 2.25	U.A.E. ... Dh 6.50
Hong Kong . HK$ 12	Norway .. Nkr 6.00	U.S.A. $1.50
India ..... Rup 15	Philippines . Pes 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,204 Friday December 23 1983 D 8523 B

Craxi sees merits of foreign diplomacy, Page 2

NEWS SUMMARY

GENERAL

Giscard protests at Elf oil row

Former French President Valéry Giscard d'Estaing said he was "scandalised" at the Socialist Government's "political exploitation" of an affair involving transferring state funds abroad to finance an oil exploration venture.

In a televised statement, M Giscard d'Estaing threatened to take legal measures if "attacks on his honour" persisted.
Page 2

Inquiry into crashes

Spain's Congress set up a commission to investigate two air crashes that killed 274 people in Madrid in the last month.

Officers set free

Zimbabwe freed three white air force officers who had been detained again after a court cleared them of sabotage charges. A tribunal reviewed their cases two weeks ago.

Iraq sinks ships

Iraq said its aircraft sank three "enemy" ships that were part of a convoy trying to approach the Iranian port of Bandar Khomeini. The other ships fled.

Dissident jailed

Czech dissident Jiri Volf, a member of the Charter 77 human rights movement, was jailed for six years for subversion, émigrés said.

U.S. phone bills up

U.S. households will pay an average $6.80 a month more – a 41 per cent rise – for a local telephone line over the next five years, as a result of the AT&T breakup and other pricing changes, a Federal Communications Commission study said.

Hitachi men fined

Two Hitachi executives were fined $10,000 each in San Francisco, after admitting conspiring to steal computer secrets from IBM.

Polish prices held

Polish authorities decided to postpone raw material and service price rises planned for January 1, in a bid to slow consumer price inflation.
Page 2

Mao, Liu to share

A display honouring Chinese leader Liu Shaoqi – deposed as a traitor by Mao Tsetung – is to be opened in Mao's Peking mausoleum during the 90th anniversary of Mao's birth.

68 die in storms

Ice storms which have hit the U.S. as far south as Texas have taken 68 lives in the last week. A record low December temperature of −39C (−37F) was set in Casper, Wyoming.

Fake $10m seized

Brussels police seized $10m in counterfeit $50 notes and detained six suspects, after a two-month operation.

Film honoured

New York film critics named Terms of Endearment the best film of 1983 and its stars, Shirley MacLaine and Jack Nicholson, best actress and actor.

Briefly . . .

Azerbaijan couple celebrated their 90th wedding anniversary, Pravda said. Both are 110.

Turkey said it would not allow U.S. cruise missiles on its territory.

British Government changed its mind on abolishing the £1 note: It will remain in circulation.

BUSINESS

Toyota deal with GM wins support

● U.S. Federal Trade Commission tentatively approved a joint venture between General Motors and Toyota which would produce 200,000 cars annually for 12 years. The companies signed a consent order limiting scope and duration of the venture and exchange of commercially sensitive information.

● STOCK MARKETS broke records in Europe yesterday, boosted by a late pre-Christmas shopping spree.

● LONDON: FT Industrial Ordinary index extended its advance for a seventh session, rising 4.2 to a record 776.2. Report, Page 19; FT share information service, Pages 20–21

● FRANKFURT: Commerzbank index was 9.1 higher at 1,034.0, passing the previous high set in 1960. Report, Page 15; Leading prices, other exchanges, Page 18

● AMSTERDAM: ANP-CBS index was 1.4 ahead at an all-time high of 149.8, and the industrial index also rose 1.4 to a record 124.2. Page 15

● PARIS, BRUSSELS, ZURICH and OSLO markets reached their highest for the year. Page 15

● AUSTRALIA: All-ordinaries index moved up 3.3 to 761.4, also an all-time high. Page 15

● WALL STREET: Dow Jones industrial average closed 1.32 down at 1,253.66. Report, Page 15; Full share listings, Pages 16–18

● TOKYO: Nikkei Dow index eased slightly from Wednesday's record, slipping 8.23 to 9,709.42. The Stock Exchange index rose 0.52 to 712.79. Report, Page 15

● DOLLAR lost ground in thin London trading to DM 2.7675 (DM 2.7715), SwFr 2.21 (SwFr 2.214), Y233.8 (Y234.9) and FFr 8.455 (FFr 8.46). Its trade-weighted index fell to 130.5 from 130.9. In New York it closed at DM 2.7607, SwFr 2.197, Y 233.5 and FFr 8.4375. Page 25

● STERLING rose 50 points in London to $1.4275. It improved to DM 3.9525 (DM 3.945), SwFr 3.1575 (SwFr 3.15) and FFr 12.065 (FFr 12.03) but eased to Y334.0 (Y334.25). Its trade weighting was unchanged at 82.3. In New York it closed at $1.4315. Page 25

● GOLD fell 50 cents in London to $377.875. It gained 25 cents to $379 in Frankfurt and was unchanged in Zurich at $378.75. In New York, the Comex December settlement was $382 ($377.8). Page 24

● CAR SALES in Western Europe reached 10.4m in 1983, the highest since 1979, Ford of Europe said. Ford claims record volume and market share for the year.

● GRAND METROPOLITAN, UK foods and services group, lifted pre-tax profit for the year to £295.2m ($421.4m) from £220.2m. Page 12; Lex, Page 8

● JAPAN gave official approval to investment in Britain. A Japanese External Trade Organisation guidebook on UK investment is being given free to businessmen. Page 4

● BRITISH AEROSPACE said it would pull out of the European A-320 150-seat airliner project if it did not get £437m ($624m) government launching aid. Page 8

● SOVIET UNION awarded contracts worth about FM 1bn ($170m) to a group of Finnish and West German companies for building a big new Baltic port. Page 4

The Financial Times will not be published on Monday or Tuesday. Tomorrow's edition will be published as usual from London. The Financial Times extends to its readers best wishes for the holiday season.

EEC package to enforce minimum prices for steel

BY PAUL CHEESERIGHT IN BRUSSELS

Emergency measures to stabilise the EEC steel market will come into effect on January 1. Industry ministers of the Ten yesterday settled their differences on how to keep the steel trade between them to traditional levels and concluded a crisis package of three main elements.

The measures involve minimum price controls for key flat products, which account for about 40 per cent of EEC steel production; an order to the steel producers to deposit Ecu 15 ($12.20) at a bank for every tonne of steel they ship – it is forfeited if the price controls are not observed; and a monitoring of trade flows in the EEC, allied to planned restraints on imports, designed to keep steel movements at the levels prevailing in the second half of 1981 and the first half of 1982.

The minimum-price controls and the two measures to enforce them are designed to stop the sharp price discounting that has characterised the market during the second half of this year.

They supplement existing controls on the industry. These controls, which have been breached recently, involve production quotas set every quarter and price guidelines.

The controls are themselves part of a wider scheme to restructure the EEC steel industry and make it competitive and to free it of subsidies by the end of 1985. But so far there is agreement in practice only to extend the controls to the end of next January.

After yesterday's agreement on new measures, Mr Norman Lamont, the UK Minister for Industry said: "We have made a good step forward in that it (the package) continues the regime of the past. Without it, it would have been very difficult for British Steel."

The key problem ministers had to resolve was the question of trade flows and the means of monitoring them.

West Germany, with France tucked in behind, had been pushing for stringent controls and penalties for suppliers selling more than preset quantity. It was opposed by the Benelux countries, the greater part of whose steel production is exported.

Both sides are now prepared to adopt a system of control based on the 1981–82 reference period, using an accompanying certificate for each steel shipment crossing a border as the instrument for monitoring the trade. The certificate will be checked at borders.

Countries concerned about an abnormal rise in imports can complain to the European Commission within 15 days of the publication of quarterly trade statistics. The Commission will investigate and after consultation with the countries involved will take what an official statement called "the necessary corrective measures."

On the assumption that major new shares in the market cannot be taken without price discounting or exceeding production quotas, the "corrective measures" would be either the loss of the deposit of a fine imposed on the producer.

Mr Lamont, after protracted discussion, won for the UK an exemption to the check on the accompanying certificate at both the exporting and the importing points. Because British exports leave with the minimum of documentation, checks will be made only at the point of importing.

Star of hope over Bethlehem; U.S. Steel considers restructuring plan, Page 8

Brussels moves to delay food surplus payments

BY IVO DAWNAY AND JOHN WYLES IN BRUSSELS

THE EUROPEAN Commission yesterday announced the first of a series of measures aimed at cutting the costs of the Common Agricultural Policy in 1984.

The new measures centre on delaying payments to producers of food surpluses. They are the first step taken by the Commission since the Heads of Government summit in Athens failed to make any progress on CAP reform, and will be seen as an early warning to member states.

Officials were at pains to repeat that unless agreement was reached by the end of March on its comprehensive reform proposals, first presented in July, CAP spending next year would exceed its Ecu 16.5bn ($13.4bn) allocation perhaps by as much as Ecu 1.5bn.

Yesterday's cuts will be made by delaying payments to farmers for surplus produce purchased through national intervention boards. The boards buy in produce when market prices fall below EEC guaranteed levels.

Intervention agencies will now be allowed to stall for up to five months in the case of dairy products and four months for cereals, beef and veal and olive oil.

The Commission claims the saving this year will be Ecu 165m, but an important effect of the measures will be to postpone up to Ecu 1bn of spending until 1985.

Farmers' organisations complained last night that the move would worsen already uncertain markets and would subject the industry to a form of cash limits.

One observer estimated that the arrangements could cut farmers' incomes by 1.5 to 2 per cent in some cases.

The savings announced yesterday will be executed by the Commission under its own powers and are irrevocable by ministers. They will be supplemented next month by a further Ecu 85m in savings.

Officials also plan to step up the pressure on member governments by proposing a comprehensive prices package, including some price cuts, for agricultural products over the coming marketing year.

If all these measures are accepted – leaving aside the controversial proposal for an oil and fats tax – the Commission hopes that spending may be contained within the year's CAP budget.

An emergency financing package may still be necessary, however, to see the Community budget through 1985.

Allianz raises Eagle Star bid to match £934m from BAT

BY CHARLES BATCHELOR IN LONDON

ALLIANZ, the West German insurance group, yesterday increased its offer for Eagle Star Holdings, the UK insurer, by £14m to £934m ($1.33bn) to match last week's bid from rival suitor BAT Industries, the London-based tobacco company.

The two bidders are now poised for the final round in the largest takeover battle in cash terms to take place, in Britain. The City of London's Takeover Panel ruled on Wednesday that any higher bids must be announced by 5pm on December 30.

Allianz has preceded each of its later bids with calls to shareholders to await possible later offers. The panel said that instead of simply making bids, the West German group was telling shareholders to "hold on ... and left them in the air."

Yesterday's matching offer from Allianz was made at the insistence of the Takeover Panel, which has been concerned at the German insurer's bid tactics, its merchant bank advisers Morgan Grenfell acknowledged.

"We were under certain pressure from the panel," the bank said. "They said you either make an increased bid or withdraw."

Mr Peter Frazer, a director of the panel, commented: "They had made a number of remarks last week which left the whole thing in the air. They have now made a firm increased offer, although I accept it is not terribly relevant in view of the deadline we have now set."

Morgan Grenfell said it would be in the interest of both bidders to avoid "a blind shoot-out" on the final day and suggested it was looking at ways to avoid that. It later stressed, however, that any approach would have to come from BAT.

Allianz is now offering 675p for each Eagle Star share. That is still below the British company's stock market price despite a 15p fall to 715p yesterday. That valued the company at £989m. BAT said it was considering the effect of the higher Allianz offer and would make an announcement "in due course." "Any approach from Allianz aimed at solving the deadlock would be considered on its merits," it added.

BAT, which has the advantage that its offer has been recommended by the Eagle Star board, said it felt under no pressure to move quickly.

Sir Dennis Mountain, Eagle Star chairman, said he still regarded the BAT bid as the better offer. "The board continues to believe strongly that BAT is a much more appropriate parent for the Eagle Star group than Allianz."

Eagle Star will, however, make no further recommendation to shareholders on any revised offer made by either suitor before the December 30 deadline.

Arafat visit ends six-year rift with Egypt

By Our Foreign Staff

EGYPT and the Palestine Liberation Organisation (PLO) headed by Mr Yassir Arafat ended their six-year rift yesterday to the "astonishment and regret" of the Israeli Government.

President Hosni Mubarak of Egypt warmly embraced Mr Arafat in Cairo before beginning two hours of talks. It was Mr Arafat's first visit to Egypt since 1977, when the late President Anwar Sadat announced his willingness to visit Israel.

Egypt has been boycotted by the majority of Arab nations for signing its 1979 separate peace treaty with Israel, and yesterday's meeting in Cairo could open the way for Egypt's reintegration into the Arab world.

Mr Yitzhak Shamir, Israel's Prime Minister, said he was astounded that the President of Egypt was prepared to meet the leader of the Palestinians who had "danced in the streets of Beirut" after the assassination of President Sadat.

The Israeli Foreign Ministry described the Cairo meeting as "a severe blow to the peace process," Mr Avi Pazner, the ministry spokesman, said that "the disappearance of the PLO from the International scene is a prerequisite for the achievement of peace and stability in the region."

Israeli officials decline to say how the Arafat-Mubarak meeting will affect the already cool relations with Egypt, but were clearly worried about the support Mr Mubarak was offering to Israel's arch-enemy.

This is viewed in Jerusalem as contrary to the spirit of the 1979 treaty, and Israel intends to make a formal protest to Egypt.

After the talks in Cairo, President Mubarak praised Mr Arafat as "a struggler and a moderate leader of the Palestinians who are struggling to regain the legitimate rights of the Palestinian people."

Mr Arafat in turn thanked Egypt as "the real supporter of the Palestinian people and the champion of tha recovery of Palestine."

Mr Arafat's words were in direct contradiction to almost everything he and other prominent Palestinians have been saying about Egypt for the past six years.

A far greater continuity of PLO attitude came in the counter-blasts from Damascus. Leaders of Palestinian factions who participated in the siege of Tripoli, from where Mr Arafat was evacuated on Tuesday,

Continued on Page 8

Vindicating Mubarak's patience, Page 3

Export surge boosts British trade surplus

BY PHILIP STEPHENS AND MAX WILKINSON IN LONDON

BRITAIN's trade balance bounced back into the black last month, pushing up the current account surplus for the first 11 months of the year to £1.3bn ($1.9bn), more than twice the level forecast by the Treasury for the whole year.

Higher exports and lower imports gave a current account surplus of £317m in November, a sharp reversal from the £219m deficit recorded in the previous month.

The figures raised government hopes yesterday that Britain's trading performance might be moving to a significantly better trend.

Non-oil exports have been improving steadily from the depressed level of the summer and were 4½ per cent higher in volume terms in the three months to November than in the previous three month period.

In November Britain's total exports of goods surged to £5.28bn, the second highest level ever. This was taken as indicating that Britain's exporters are responding to a long-awaited revival of world trade.

Exports to North America rose 7 per cent in the latest three months compared with the period June to August indicating a recovery of U.S. demand and reflecting the high value of the dollar.

Perhaps more encouragingly, exports to European Community countries rose 11 per cent in the same period, in spite of still depressed levels of demand in Europe and the continued firmness of the pound against European currencies.

The Treasury believes an improvement in export performance will be one of the keys to sustaining the UK recovery in the second half of next year when the present consumer boom is expected to subside.

Officials have been watching the trade figures with great anxiety over recent months, however, because some – especially during the summer – suggested trading performance was deteriorating. The most recent figures, and particularly those for November, seem much more encouraging.

Visible trade in November showed a £107m surplus compared with the £429m shortfall in October, with a 2 per cent rise in exports contrasting with a 7.5 per cent drop in imports.

The Government also drew satisfaction from the composition of the import bill, with an increasing proportion being spent on raw materials and semi-finished products and less on consumer durables.

On an overseas trade basis, which gives a more pessimistic view than traditional balance of payments data, Britain ran a £4.9bn deficit in manufactured goods in the first 11 months of the year.

Officials cautioned against putting too much emphasis on one month's trade figures.

Lex, Page 8

Chase launches full bid for Dutch bank

BY DAVID LASCELLES IN LONDON

CHASE Manhattan Bank is to launch a $43m bid for full control of Nederlandse Credietbank (NCB), the fifth largest Dutch bank, in which it has a 31.5 per cent stake.

The bid marks a further stage in the New York bank's efforts to establish a chain of fully owned bank subsidiaries in Europe. If successful, it will make NCB the largest foreign-owned bank in the Netherlands.

Chase said yesterday it would offer Fl 40 for each of the outstanding shares. Mr Robert Hunter, the Chase executive in charge of Europe, said this placed a value on the bid of Fl 143m.

NCB shares were trading at Fl 32.80 before being suspended on the Amsterdam Stock Exchange yesterday, which means Chase is paying a premium of about 23 per cent.

The deal will have to be approved by the Dutch authorities, but Chase has received an informal indication from the central bank that it could go ahead. The U.S. Federal Reserve will also have to review it.

Chase has owned a stake in NCB since 1967 and was widely expected to seek total control. The key to the deal lay in securing agreement to buy the 27.5 per cent stake in NCB held by Thyssen-Bornemisza, the Dutch industrial group.

Dutch central bank shifts policy; Chase buys Lincoln First for $308m; Dresdner expands in Switzerland, Page 9

CONTENTS

EUROPEAN NEWS

Giscard threat of action over oil allegations

BY DAVID MARSH IN PARIS

M VALERY GISCARD d'Estaing, the former French President, last night launched a fierce personal counter-attack against what he claimed was a "campaign of defamation" against him by the Socialist Government.

In a televised statement, M Giscard d'Estaing threatened to take legal measures if "attacks on his honour" persisted. He was replying to questions over his judgment that have arisen this week over a mysterious affair involving a state-backed oil-prospecting venture during the later years of his presidency, which ended in 1981.

On Wednesday, M Henri Emmanuelli, Secretary of State at the Budget Ministry, claimed that transfer abroad during 1978 to 1981 of FFr 500m ($59m) in state funds to finance the prospecting venture amounted to "a giant fraud."

The project, involving airborne electronic reconaissance to search for oil, was carried out by the state-controlled oil company Elf-Acquitaine, which maintained yesterday that it carried out the operations as a worthwhile experiment in good faith.

Speaking on television news, M Giscard d'Estaing at times appeared to have difficulty in controlling his anger. Brushing aside questions by TV interviewers, he declared: "That is enough."

Criticising "operations of calumny launched by the Government," he said it was time the French people heard "the truth."

M Giscard d'Estaing sought to turn the affair to his advantage by using prime-time television to reassert his authority. He said that those who tried to "denigrate France" would find him "on the road" to stop them.

On Wednesday in the National Assembly, M Emmanuelli accused M Bernard Beck, a former top judicial official, of destroying a copy of a report into the prospection venture. M Beck has admitted destroying the report – which was drawn up at the behest of M Raymond Barre, the former Prime Minister – on the ground that it was confidential.

In a theatrical gesture last night, M Giscard d'Estaing brandished before the TV cameras another copy of the report. He said a total of six had been made. The reports had been kept secret at Elf's request because of their commercial value.

The project, on which work was stopped under the previous Government when the venture failed to produce results, could also have been used to detect nuclear missile-carrying submarines.

The matter was first brought to the public eye earlier this year by Le Canard Enchaine, the Paris satirical weekly. The paper contributed to the electoral downfall of M Giscard by revealing his gifts of diamonds from the Central African Emperor during the 1970s.

The secrecy surrounding the venture — which Le Canard has baptised the case of the "sniffer planes" stems partly from the possible use of the electronic detection to pinpoint nuclear submarines.

M Beck claimed yesterday that his telephone had been tapped. Right-wing newspapers labelled the affair an effort by the Government to discredit the opposition and divert attention from economic problems.

Even though Elf Aquitaine maintains that it was acting in good faith, questions still have to be cleared up over the destination of the FFr 500m sent abroad which has not been recovered.

M Emmanuelli, an energetic 38-year-old who has been directing several recent inquiries over alleged fiscal fraud, said on Wednesday that the money was sent to Swiss bank accounts in the names of companies in Panama, Liechtenstein and the New Hebrides.

W. German court rejects bid to block missiles

BY JAMES BUCHAN IN BONN

THE FEDERAL Constitutional Court, West Germany's supreme court, has rejected applications for an injunction against the deployment of Pershing-2 and cruise missiles on German soil, on the grounds this was a political matter outside its jurisdiction.

The court in Karlsruhe announced yesterday that it had rejected suits from 17 plaintiffs who argued that the missile deployment, which began in November, was an offence against the right of life and protection in the Constitution, since the missiles increased the likelihood of a Soviet preventive attack or an accidental nuclear exchange.

As expected, the court announced it was not for judges to assess such risks, but for the political authorities to do so.

Reuter reports from Ankara: Turkey's Defence Minister, Mr Zeki Yavuzturk, said yesterday that his country would not allow deployment of U.S. cruise missiles on its territory.

"There is no question of letting cruise missiles be deployed in our country," he declared, denying foreign Press reports.

U.S. envoy confesses to fears of confrontation

BY LESLIE COLITT IN BERLIN

MR ARTHUR BURNS, the U.S. Ambassador to West Germany, said he had nightmares earlier this year about the possibility of a U.S. soldier being drawn into confrontation with anti-missile protesters in West Germany.

"If there had been a shooting incident, it could have led to a political disaster," the Ambassador told the U.S. armed forces newspaper, "Stars and Stripes."

Relations between the two countries had weathered the strains of uncertainty this year over the deployment of U.S. missiles. West German economic problems and the strength of the dollar, Mr Burns said.

He expected further demonstrations against the missiles in 1984 but they would decrease in size. Most of the protesters, he noted, supported a strong Nato but believed its strategy needed re-examining.

"There's nothing wrong with re-thinking strategy."

The former chairman of the Federal Reserve system, said some West Germans had criticised the strong dollar for attracting capital to the U.S. which could be spent on creating jobs in West Germany.

But, he said, the dollar's strength had also made West German exports more popular in the U.S.

He cautioned GIs in West Germany, who were enjoying their added spending power, that "it will not last indefinitely."

Brussels ultimatum on Italian state aids

By Paul Cheeseright in Brussels

THE EUROPEAN Commission has given the Italian Government a month to justify its planned subsidies to help car, tractor, packaging and colour television industries in the centre and north of the country. No subsidies must be paid until the Commission has given approval, it said yesterday.

The challenge is further evidence of the attempt by Brussels to check the use of state aids. The Commission recently decided that recipients of unapproved state aids would have to pay them back.

Fourteen companies are concerned in the Commission challenge. Their names were not disclosed, but Fiat is understood to be involved in the motor sector, where the projects affected are in Milan, Turin, Cuneo, Modena, Beinasco and Vercelli.

The tractor project is at Bergamo, the paper packaging project at Venice. The colour television venture in Milan is understood to concern Philips.

The investments planned range from L9bn (£3.7m) to L700bn (£293m) in cost. Subsidies from the state would come in the form of low interest loans and interest rate support on bank loans.

The objections to the subsidies come in various forms. For the motor sector, the investments are tied generally to bringing into production new models and, furthermore, they are not in regional development areas demanding special treatment.

In the tractor sector, the Commission thinks that the investment is also part of normal business.

The colour television project appears to the Commission to be in opposition to a restructuring plan already notified to Brussels. For the paper packaging plant, the Commission notes that the project would add to existing overcapacity.

Under the Treaty of Rome, state aids are banned in principle, but exceptions are made to help regional development and industrial restructuring, as in the case of the steel industry.

Unions call for top-level talks over Olivetti

By Alan Friedman in Rome

LEADERS OF Italy's metalworkers union want a "top level" meeting with the Government to discuss the new Olivetti alliance with American Telephone and Telegraph (AT & T) under which the latter is to buy 25 per cent of Olivetti for $260m.

The union has fixed a meeting with Olivetti early in the new year to discuss the implications.

Sig Carlo de Benedetti, Olivetti's chairman, has told the unions they have little to fear as the alliance will probably create employment opportunities. Last night, he said he was not worried about the metalworkers' request for a government meeting.

"I met the unions and told them about the deal on Wednesday and they seemed pleased," he said, pointing out that L'Unita, the Italian Communist newspaper, had praised the deal.

Sig Renato Altissimo, the Industry Minister, said yesterday the Government was extremely pleased with the alliance. "It demonstrates that a major international company such as AT & T has confidence in an important Italian company and in our country," he claimed.

Host of vital issues await Soviet decisions

BY ANTHONY ROBINSON

AS WESTERN capitals wind down for the Christmas break, last minute preparations are under way in Moscow for what promises to be one of the most important Communist Party central committee plenary meetings for years. The two-day meeting is expected to start on December 26 and be followed by a two-day session of the Supreme Soviet, the rubber-stamp Parliament.

Both meetings should have been held in early November but have beeen delayed by the ill health of President Yuri Andropov. It is still not known whether he will attend. But even if he does, some Western diplomats believe him to be a lame-duck leader.

Mr Andropov's four-month absence from public view deprived the hierarchical Soviet system of a clear ultimate authority during the Korean aircraft disaster and the last weeks of the intermediate nuclear force (INF) negotiations in Geneva.

Given the Nato countries' refusal to accept either a Soviet veto on new U.S. missiles in Western Europe or Soviet calls to prolong the December 1983 target date for their deployment, it is doubtful whether Mr Andropov's public presence would have significantly changed Moscow's decision to quit the INF talks. This was followed by a refusal to fix a date for resuming the parallel strategic arms reduction talks (Start).

The breakdown in arms control negotiations symbolised a deterioration in U.S.-Soviet relations which is at the heart of a wider chill in East-West relations.

This deterioration in the international climate has been the central point in what Western diplomats describe as "an agonising reappraisal" of both domestic and foreign policies which has taken place in the Soviet leadership prior to the forthcoming plenum.

Diplomats believe that the underlying issue facing Soviet leaders is how far they should retreat into a "fortress Russia" mentality—with higher military budgets, a tough crackdown on dissidence in politics, society and culture and greater powers for the police—and how far to keep the door ajar and respond to Western protestations of a desire for better economic and political relations.

Nato foreign ministers have agreed to attend the opening session of the European Disarmament Conference in Stockholm on January 17 and will be looking for a commitment by Mr Andrei Gromyko, the Soviet Foreign Minister, to do likewise. This could be the first occasion to gauge more fully the tenor of the decisions expected next week.

But the situation in Europe and U.S.-Soviet relations will not be the only topics for discussion. The war in Afghanistan relations with China, the situation in the Middle East—with special amphasis on relations with Syria and the Iran-Iraq war on the Soviet southern borders—are all important preoccupations.

Mr Andropov's future is not the only domestic question either. New blood is urgently required to fill gaps in the Politburo, now down to 11 members of whom only one, Mr Mikhail Gorbachev, is under 60; five are over 70. What is more, like most of the central committee members themselves, they are all Brezhnev appointees.

The Brezhnev old guard, associated with Mr Konstantin Chernenko, appears to have used Mr Andropov's illness to resist efforts to remove them. Over the past 10 days, however, the party newspaper, Pravda, has come out with two strong attacks on party bosses in Moldavia, a former Brezhnev power base. This is seen as a symbolic attack on old, inefficient or corrupt party cadre nationally which could point to serious in-fighting and new appointments into top positions, including the central committee.

Much vodka but little tea in Warsaw, writes **Christopher Bobinski**

Christmas cheer—at a price

LIKE MANY other queue-wise Warsaw housewives, Mrs Zofia Kolarska has been saving her monthly meat ration card until this week. Experience has taught her that the authorities keep the best cuts for just before Christmas.

But with the slump in meat supplies, she may be disappointed in her hopes for a tasty Christmas Day joint.

On the other hand, fish, the traditional dish on Christmas Eve, is available if expensive. One way or another, most homes will have at least enough to eat this Christmas.

As usual, however, the effort of buying and preparing it all will be gargantuan and some shortages will inevitably show. One queue eager to buy herrings the other day narrowly escaped decapitation when the shop window, which impatient customers were pressing up against, collapsed.

Vodka, Mrs Kolarska notes, is plentiful this year as are imported sparkling wines, but, sadly, supplies of citrus fruit are illusory as are dried fruit and sweets over and above ration allocations.

POLAND HAS postponed rises in the price of basic industrial raw materials and services originally due to come into effect on January 1, writes Christopher Bobinski. The intention is to slow the increase in consumer goods prices while the Government decides what to do about promised rises in the cost of basic foods.

It has become clear that a decision on increasing food prices, which could lead to public unrest, is being delayed and could be re-thought in January.

The rise in the price of raw materials range from 15 per cent for coal to 60 per cent for steel industry inputs.

Parliament, meanwhile, has voted in favour of measures reducing the financial independence of enterprises and giving greater powers to central government. Banks being instructed to restrict investment credits, and companies' investment funds are being siphoned off, leaving them with very little freedom of manoeuvre.

A bill to be passed just after Christmas will also heavily increase tax payments on company wage funds. This is widely expected to force managers to cut wages in order to avoid severe tax penalties.

Shipments of scarce tea, officials say, are on their way but the implication is that they may not make it for Christmas. Coffee is to be had, but almost entirely from the Pewex hard currency stores.

Up-market, Mr Jan Nowicki's small art gallery, which also sells rather expensive jewellery, reports business as usual with people spending as much as last year on presents. This would tend to confirm that Poland's much vaunted "inflationary... overhang," ...pent-up spending power chasing too few goods, is not as equally spread as some officials suggest, but concentrated in the pockets of the better-off.

For those with money to spend there is the Rozycki open-air market on the eastern side of the river Vistula where private enterprise flourishes regardless of official campaigns. Very old women, over-muffled against the cold, sit selling chickens, geese and other birds; others in more comfortable stalls offer salmon at Zl 4,000 (£23) a kg and salami smuggled in from Hungary for Zl 4,500 a kg. Raisins, absent from the state shops, are to be had for Zl 1,500 a kg, a toy plastic tank costs Zl 120.

Elsewhere in Warsaw, traders from the countryside have brought in their Christmas trees for sale and they seem in abundant supply as do the ornaments to go with them.

As people rush around trying to get Christmas together they are almost too busy to stop to judge if things are better or worse than last year. Few say worse, even less say better. Mrs Kolarska says that deliveries of shoes to the shops have improved greatly. But then few people buy shoes for Christmas.

How Turkey cooked its money books

By David Barchard in Ankara

WHEN TURKEY'S next round of talks with the International Monetary Fund (IMF) gets underway in the New Year, one of the most embarrassing subjects on the agenda may be the way Turkey's Ministry of Finance cooked the books on the growth of the money supply for 15 months while the Fund apparently turned a blind eye.

The story began in July 1982 when the former military government's Finance Minister, Mr Adnan Baser Kafaoglu, took office. The Turkish economy was still recovering from the shock of the Kastelli finance house crash, and several banks and industrial groups were appealing to the Treasury to save them from bankruptcy.

Mr Kafaoglu, as he told the Istanbul economic daily Dunya earlier this month, asked the IMF to raise its ceilings on the expansion of currency in circulation. The Fund, fearful of creating a precedent, said no.

Caught between the possibility of a serious chain of bankruptcies and reneging on their IMF commitments, Turkish Finance Ministry officials hit on a neat solution. Each Friday, they simply transferred the cash deposits of the country's largest bank, the Ziraat (agriculture) Bank the Central Bank and held them there until Monday while figures on the volume of currency in circulation were taken. At nine o'clock the following Monday morning, the Ziraat Bank was given its cash back, and proceeded with transactions as usual.

At the time of the collapse of Kastelli, Turkey's largest savings house, in June 1982, the volume of banknotes in circulation was TL 396bn (£1.04bn). According to official figures, it continued to grow steadily, but in line with Turkey's inflation rate until it stood at TL 542bn in the last week of October.

At this point, Mr Kafaoglu decided to stop calling in the Ziraat Bank's cash every weekend. As a result, the volume of currency in circulation appeared to leap by 36 per cent in the first week of November, rising to TL 735bn. One economics professor described it as "the sharpest increase in currency figures in Turkey's history."

Amid the uproar from economics pundits, Mr Kafaoglu decided to come clean and admit what had been going on, so as not to compromise the new Government elected on November 6.

An official was dispatched to tell the Fund the news. But according to Mr Kafaoglu, "they merely said that they knew all about it already and were fully aware of the situation."

Mr Kafaoglu's admission provoked a fresh round of criticism. Some Turks said that the country's official statistics would not command much credibility in future. Others claimed that the Finance Minister's statement was itself a smokescreen. They said that the flow of funds between the Central Bank and the Ziraat Bank had never been on the scale described, and accused Mr Kafaoglu of trying to conceal a massive injection of cash into the economy as part of a recent bid to bail out ailing industrial groups.

The Press has taken the affair as a nine-day wonder. An editorialist in Dunya, the paper which originally brought the matter to public attention, pointed out that the real puzzle was the IMF's long silence.

He said that the Fund had had to choose between abandoning its performance criteria for the Turkish economy, which would have been awkward, or standing by and watching many of Turkey's best known firms and banks crash. Turning a blind eye was the middle way.

Now that Mr Kafaoglu and his colleagues have resigned, the IMF will be negotiating with a new Government in January. It is thought that no one will be anxious to take Mr Ozal to task for his predecessor's actions and both sides will be content eventually to let the episode fade away.

Bonn wrangles over bank laws

BY JOHN DAVIES IN FRANKFURT

GOVERNMENT officials in Bonn face further wrangling in the next few weeks over plans to tighten the country's bank supervision laws. Senior officials met this week to consider proposals published several months ago by the Finance Ministry, but the talks broke up with a number of key points still unsettled.

Dr Gerhard Stoltenberg, the Finance Minister, hopes to obtain agreement on a package to put to the cabinet next month, so that the proposals can then be considered by Parliament.

West Germany has been debating for years how bank supervision ought to be tightened, particularly in view of the growth of banks' subsidiaries abroad.

Moves to sharpen the law have received added impetus and an emotive edge as a result of the difficulties of the private bank, Schroeder, Muenchmeyer, Hengst (SMH). SMH was heavily involved — partly through Luxembourg — in tion equipment group now in bankruptcy proceedings.

West German banks agreed to provide aid of about DM 800m (£204m) to prevent SMH having to shut its doors but, even so, commercial banks have cautioned against hasty action to tighten banking laws.

However, the Federal Banking Supervisory Office and the Bundesbank have seized on the SMH affair as an opportunity to press for stiffer laws.

One of the points still under discussion among Bonn officials is the extent to which bank subsidies should be included when applying the rule that lending should not exceed 18 times a bank's capital and reserves.

The Finance Ministry originally argued that subsidiaries at least 50 per cent owned should be included, while the Economics Ministry and the banks argued that the threshhold should be over 50 per cent. But it is suggested now that the threshhold might actually be lowered to 40 per cent.

Officials have agreed that leasing operations should be included in the consolidation. But there is still disagreement over whether to bring in mortgage banks—a move hotly opposed by commercial banks themselves, which argue that mortgage lending is based on different criteria.

One of the bank laws highlighted by the SMH affair is a rule that banks should not lend more than 75 per cent of their capital and reserves to one major borrower. Officials in Bonn are inclined to propose reducing this to 50 per cent, although with a transition period.

Commission's draft pollution rules unveiled

By John Wyles in Brussels

THE European Commission yesterday unveiled its proposed directive to reduce acid rain and other pollution caused by fuel burning.

The directive seeks by 1995 to have cut the annual emission of sulphur dioxide by 60 per cent, of nitrogen oxide by 40 per cent and waste dusts by 40 per cent. The base year would be the measured pollution emissions in 1980.

Power stations would be affected principally. All new stations of above 100 MW would have to meet the new standards from 1985 while others of 50 MW-100 MW would have five years to comply after the directive is adopted.

The Commission says it has chosen emission standards at levels which will not alter the competitive advantages of various fuels. It claims the targets could be achieved without excessive costs.

Leutwiler sounds dollar warning

ZURICH—Dr Fritz Leutwiler, president of the Bank for International Settlements and the Swiss national bank, sees a risk that the dollar might suffer an "abrupt" fall if expectations change on U.S. interest rates.

"It is clear that the dollar will remain strong in the next few months, but the dollar will only stay strong as long as the market is anticipating high or still higher interest rates," he said.

He added: "I believe the problem lies primarily in U.S. budget deficits and deficit projections, although the U.S. Administration does not want to accept this."

Noting that foreign capital flows to the U.S. were helping cover these deficits for the time being, he said that the dollar could suffer a "very abrupt" change if interest rate expectations change for some reason and if these capital inflows into the U.S. slow down.

The D-Mark would probably rise against both the dollar and the Swiss franc next year, Dr Leutwiler forecast. The course of the dollar and West German politics would play a role, but he believed the Bundesbank would follow a more restrictive monetary policy.

In terms of the D-Mark rate against the Swiss franc, he said he believed the Bundesbank's monetary policy would be fully as restrictive as Switzerland's. Swiss policy would be "slightly more restrictive" than in 1983, he said. Money supply growth was likely to be below the recently announced 1984 target of 3 per cent.

AP-DJ

Soviet export sanctions lapse

By Ivo Dawnay in Brussels

EEC Foreign Ministers have allowed sanctions to lapse against Soviet exports to the Community, introduced in response to the declaration of martial law in Poland in March, 1982.

Brussels diplomats said last night that member states did not discuss the issue at this week's Council of Foreign Ministers, on the advice of the European Commission. As a consequence, the sanctions will expire on December 31.

When in doubt pursue foreign diplomacy, decides Italy's 'king'

James Buxton explains why Craxi's reign has been so successful for his party

ONE ITALIAN newspaper recently called him a wanderer. Ever since he became Prime Minister of Italy last August Sig Bettino Craxi, the first Socialist ever to hold the position, has barely spent a full week in the country.

He has visited several Common Market countries, some of them more than once. He has been to the U.S., where President Reagan praised him to the point of hyperbole. He recently went to Argentina for the inauguration of President Alfonsin. For the New Year he has planned visits to two East European capitals.

While in Italy he has said little in public about domestic issues. Instead the media have reported him receiving a stream of foreign visitors, from presidents and prime ministers to mayors and men of letters. He shows a grave concern for the state of the world, combined with a relatively relaxed, even confident, attitude to the fate of his five-party coalition Government.

It is quite natural that the Italian Prime Minister should take a strong personal interest in foreign affairs. After years of relative inactivity, Italy is heavily involved in two of the most important international issues of the day, each with domestic repercussions: it is one of the first three Nato countries to accept cruise missiles and it has the largest, and locally the most popular, contingent in the Lebanon multi-national peacekeeping force.

Yet the question is being asked whether Sig Craxi is not immersing himself in foreign affairs to the detriment of domestic issues that are at least equally pressing, and whether the headline-winning initiatives have all been effective.

In at least one important sense the Craxi style has borne fruit. The Socialist Prime Minister has had considerable exposure at home, usually without the controversy that would have resulted had he embroiled himself to the same extent in domestic matters. This has boosted his national standing, as was shown by the small but significant gains the Socialist Party made in local elections last November.

Sig Craxi has been particularly active over the European missiles issue, trying at first to moderate the U.S. stand when the Geneva talks were still on, and now working towards getting the talks started again. He made an unsuccessful but embarrassingly public attempt to reconcile President Amin Gemayel of Lebanon and the Druze leader Mr Walid Jumblatt when fighting broke out in September. But his critics say that his highly diffuse interest in foreign affairs left him too little time to prepare for the Athens EEC summit in sufficient depth.

He has tended the leave the technicalities of crucial matters such as the reduction of the Italian contingent in Lebanon to two powerful ministers, Sig Giulio Andreotti at the Foreign Ministry and Sig Giovanni Spadolini at Defence. And when those two former prime ministers have occasionally disagreed publicly or even contradicted Sig Craxi (as Sig Andreotti did last month over the reaction to the French reprisal raid in Lebanon) the broad-shouldered Prime Minister has shrugged and appeared not to let it bother him.

Less generous observers say that Sig Craxi has little choice but to tolerate the over-mighty barons in his cabinet. His Government is, they say, really a "council of regency" in which powerful cardinals call the tune while an inexperienced king carries out the public functions of monarchy.

But that is to devalue Sig Craxi's shrewdness, his considerable determination and the fact that because of the Socialist Party's pivotal role in coalition-making there is at present no obvious alternative to him as Prime Minister.

Sig Craxi knows that the most serious problems facing Italy are at home, mainly in the economy where the public sector deficit fuels an inflation rate far above those of Italy's competitors and impedes the kind of recovery that the dynamic Italian economy ought to be capable of. But so far he has not seen anything to be gained from putting his name to rigorous measures to cut Government spending.

Insofar as these problems are soluble in a five-party coalition, Sig Craxi is lucky to have assiduous ministers, such as the Christian Democrat Treasury Minister, Sig Giovanni Goria, and the Socialist Labour Minister, Sig Gianni de Michelis, to stick their necks out, say unpopular things and steer through relatively disagreeable measures, relying on little more than the tacit backing of the Prime Minister.

To the extent that these problems are not soluble, largely because of the uncertainty of the Christian Democrat Party as to whether it is the party of economic rigour or largesse, the Prime Minister may wisely calculate that he has not much to gain by plunging in.

The 1984 budget should be approved by Christmas, the first time in recent years. Usually nothing is finalised before the ultimate deadline of April 30 of the budget year. But although that is an achievement, the budget in its original form was considered inadequate to keep the public sector deficit down to "only" 15 per cent of gross domestic product.

The MPs have approved extra spending, defeated the biggest single new revenue raising element (an amnesty on building regulation offenders) and whittled down one of the few real cuts in spending—a reduction in indexation of pensions for the lower paid. But it is doubtful whether the personal intervention of a Prime Minister from a party not noted for belt tightening could have achieved much more.

A further package of measures to cut the deficit is planned for the New Year. In addition the Government and the trade unions are hammering out an incomes policy which should involve reduced wage indexation. And there is the long-postponed problem of streamlining the steel industry, which even Sig Craxi's new inner cabinet—a small body to take most policy decisions—has not yet dared tackle.

It may be that Sig Craxi believes that a little economic growth next year will mask the real difficulties. It may be that he believes that there is little he can do about it, when there is no balance of payments or lira crisis to frighten other politicians. If so, the Socialist Prime Ministership has not changed very much in Italy, except improve for the moment the fortunes of the Socialist Party.

FINANCIAL TIMES, USPS No 190640, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address changes to:

OVERSEAS NEWS

Bangladesh 'expels Soviet diplomats'

By Sayed Kamaluddin in Dhaka

BANGLADESH is understood to have ordered the expulsion of between nine and 12 Soviet diplomats and the closure of the Soviet Cultural Centre in Dhaka.

The Soviet Embassy is thought to be the largest in the country, with about 40 diplomatic and more than 100 non-diplomatic staff.

The order is understood to have been sent to the Soviet Embassy yesterday with the instruction to comply immediately.

Bangladesh has expressed misgivings about the large Soviet representations in Dhaka since the mid-1970s.

The issue became serious in June, 1981, when two Soviet diplomats attacked two customs officials at the airport for trying to stop them removing truckloads of sophisticated electronic equipment brought in by the Soviet airline Aeroflot.

They were trying to take out the cargo without customs clearance. The diplomats were sent home and the equipment returned quietly.

Rebuff for Pakistan from Gandhi

By John Elliott in New Delhi

INFORMAL approaches by the Pakistan Government over the possible resumption of negotiations with India on the non-aggression pact which lapsed earlier this year have been rebuffed by Mrs Indira Gandhi, India's Prime Minister.

This week the Pakistan Ambassador in New Delhi has held two meetings with the Indian Foreign Ministry at which he has been told that the atmosphere between the two countries is no right for non-aggression talks.

India is particularly concerned about the build up of U.S. F-16 fighters and about troop movements near its Rajasthan border with Pakistan.

These troops could merely be engaged in winter training manoeuvres, but experts in India believe that it is in this area that any future war would probably take place.

Beirut troops are threatened with 'a real earthquake'

BY NORA BOUSTANY IN BEIRUT

A SELF-STYLED fundamentalist group calling itself the "Islamic Jihad" yesterday gave a warning to French and U.S. troops in Beirut that it would make "the earth move under their feet" unless they left Lebanon within 10 days.

The underground organisation claimed credit for two bombing attacks on Wednesday that left at least 15 people killed and over 150 wounded. One French serviceman was killed and 12 injured.

An anonymous caller claiming to speak on behalf of the group telephoned the Beirut offices of Agence France Press newsagency yesterday. He said the Islamic Jihad carried out a truck bombing against a command post of the French contingent of the multinational peacekeeping force.

That same night, a bomb went off on the ground floor of the Marble Tower Hotel, occasionally frequented by U.S. servicemen.

Describing the impact of the truck bomb, some residents said they felt the earth shake under their feet as if there was an earthquake. The explosive charge was estimated at 1,500 kilograms by local security officials.

The caller threatened U.S. and French troops with "a real earthquake unless they left Lebanon.

The Islamic Jihad claimed responsibility last October 23 for the twin suicide bombing missions against the U.S. marines and French paratroopers that left 241 Americans and 58 soldiers dead.

It was also one of several extremist religious groups that took credit for the string of six attacks in Kuwait on December 12.

Iranian-inspired Moslem Shi'ites have been blamed for terrorist raids against French and U.S. troops in Beirut, prompting reprisal strikes against bases in central Lebanon used for the training of religious activists.

The political motive behind the campaign of terror against the Americans and the French remains confused. While Syria, a tactical ally of Iran in the Gulf War against Iraq, has made it plain it would like the multinational force to leave Lebanon, the Tehran regime has also been vocal in denouncing Paris for its military co-operation with Baghdad.

Mubarak's patience seems to be vindicated

BY ROGER MATTHEWS, MIDDLE EAST EDITOR

YASSIR ARAFAT was last in Cairo on November 9 1977 and witnessed history in the making. He entered the People's Assembly building in the Egyptian capital smiling and waving, to listen to one of those rambling, anecdotal, over-long speeches for which President Anwar Sadat was famous.

A grim-faced Mr Arafat was probably the only person who did not rise at the end of the speech for the obligatory ovation. It seemed that he had immediately recognised that Mr Sadat's offer to visit the Israeli Knesset, if that would bring peace to the Middle East, was something more than rhetoric.

Mr Arafat's return to Cairo yesterday, after six progressively more damaging years for the Palestine Liberation Organisation, could also be an event of major significance for Middle East peace.

By embracing President Hosni Mubarak, Mr Sadat's successor and his Vice-President on November 9 1977, Mr Arafat has signalled the end of the bitter hostility between Egypt and that part of the PLO which he still controls. As that row centred on Egypt's alleged betrayal of the Palestinian cause by signing a separate peace with Israel, the door should now be open for Egypt's formal reintegration into the Arab world.

President Mubarak's refusal to be panicked by Israel's invasion of Lebanon and his decision to wait patiently for other Arab leaders to offer Egypt an olive branch appears to have been thoroughly vindicated. Most Arab countries would applaud President Mubarak's presence at the Arab League summit due to be held in Riyadh on March 31, but have yet to show the courage needed to carry through such an action in the face of bitter Syrian hostility.

It is unclear whether Mr Mubarak is willing to pick up the challenge of a return to the long-standing rivalry between Syria and Egypt for influence in the Arab world.

He must also believe that the noises of fury from Jerusalem provoked by his meeting with Mr Arafat are not a fundamental threat to the peace treaty with Israel which remains one of the main planks of Cairo's foreign policy.

One of the main architects of that policy explained in Cairo recently that any Egyptian claim to leadership of the Arab nations would ultimately depend on its capacity to carry them through to an honourable peace with Israel. Mr Kamal Hassan Ali, Egypt's Foreign Minister, will have been pressing that point in Washington this week.

President Mubarak has been deeply alarmed by the pro-Israel tilt in U.S. policy in the past few months, and, along with other Arab moderates, would like to give President Reagan cause to re-examine the prospects for his peace proposals announced 15 months ago. U.S. military confrontation with Syria in co-operation with Israel only strengthens the hand of the Arab radicals, in Cairo's view.

Mr Mubarak will also need Washington's help in persuading Israel not to over-react to the Arafat meeting. Mr Yitzhak Shamir, Israel's Prime Minister, opposed the peace treaty with Egypt and some Egyptian officials fear that his commitment to it remains significantly less than that of his predecessor, Mr Menahem Begin.

They also sense, along with King Hussein of Jordan, that there are areas of policy where the interests of Israel and Syria coincide. Neither country, they believe, wants a settlement for the West Bank and Gaza on terms which would involve significant compromise. With the tap of violence in Lebanon able to be turned on and off at will, and U.S. public opinion heavily involved through the presence in Beirut of American troops, this provided the opponents of Mr Arafat with a potent weapon.

But by returning to Cairo, Mr Arafat has at least demonstrated that his political credibility, and perhaps survival, rests essentially with those Arab countries willing to negotiate directly with Israel. By receiving him, Mr Mubarak has indicated his readiness to assume a wider role in the Middle East without having to abandon the principal legacy of Anwar Sadat.

Hernu reaffirms France's commitment

By David Marsh in Paris

M. CHARLES HERNU, the French Defence Minister, yesterday said that France's role as the "indispensable" Western power in the Middle East was linked to the continued presence of its soldiers in the Lebanese multinational peace-keeping force.

Speaking after Wednesday's bombing near the Beirut headquarters of France's parachute regiment, M. Hernu said that France was doing all it could to assure the protection of its Lebanese contingent.

In a separate statement, the French Foreign Ministry reaffirmed the country's commitment to restore unity and sovereignty to Lebanon.

David Lennon writes from Tel Aviv: Israel yesterday drew back from protesting against Italy's participation in the evacuation of Palestinian "terrorists" from Tripoli.

Mr Yitzak Shamir, the Israeli Prime Minister, accepted at his meeting yesterday with Sig Andreotti, the Italian Foreign Minister, the Italian explanation that its removal from Tripoli of Palestinian wounded was purely a humanitarian act.

Neither did Israel raise any questions about the Italian decision to cut the size of its force in the peace-keeping contingent in Beirut from the current level of about 2,000 soldiers back to the originally requested contingent size of 1,100.

Kuwait accused of torturing detainees

THE pro-Iranian Daawa Party of Iraq has threatened to attack Kuwaiti interests at home and overseas if the 10 suspects held in connection with the car bomb attacks of 10 days ago, are tortured, executed or handed over to the Iraqi Government, writes **Kathy Evans in Dubai.**

The threat came in a letter handed to the Kuwaiti Embassy in Tehran. It accused the Kuwait Government of torturing the detainees.

Iraq attack

Iraq said its warplanes had destroyed three "enemy" ships yesterday near the Iranian port of Bandar Khomeini in the Gulf, Reuter reports from Baghdad. A military spokesman said the ships were part of a convoy which had tried to approach the Iranian port.

S. Korean debt

South Korea's outstanding foreign debt at the end of 1986 is projected at \$47.4bn compared with an initial forecast of \$64.5bn, Deputy Premier and Economic Planning Minister Shin Byong-Hyun said, Reuter reports from Seoul.

Zimbabwe admission

Zimbabwe has acknowledged for the first time that its troops conduct hot pursuit operations against anti-government dissidents taking refuge in Botswana, Our Foreign Staff writes. In a meeting at the border town of Plumtree on Wednesday between senior officials of the two governments, Mr Emmerson Munangagwa, Zimbabwe's Security Minister, confirmed that a Zimbabwe soldier had been shot dead by Botswana troops just inside the border.

Singapore plan

The Singapore International Monetary Exchange (Simex) is to start trading financial futures on May 2, linking up with the Chicago Mercantile Exchange (CME) so that members of each can use both markets, Simex chairman Ng Wok Song said yesterday, Reuter reports from Singapore. Simex, formerly the Gold Exchange of Singapore, will launch financial futures trading with contracts in gold, Eurodollars and the Japanese yen.

Debt and drought combine to cast gloom over Ivory Coast

CHRISTMAS in tropical Abidjan is likely to be celebrated in gloom and discomfort as power cuts averaging 12 hours a day extinguish electric lights, fridges and air conditioners, writes **Peter Blackburn.**

Shoppers have been rushing to buy gas lamps and candles instead of toys and turkeys. Factories and offices have been ordering generators.

But, while the electricity crisis – sparked off by the worst drought for 25 years – has riveted public attention, there has so far been a news blackout in the government-controlled media over last Saturday's decision to reschedule the country's \$6bn external debt. Very few Ivorians are aware that negotiations with up to 300 commercial banks opened in London yesterday.

The decision to reschedule caused little surprise among bankers. "The writing was on the wall – it should have been done three years ago," commented one. The lack of action reflects President Felix Houphouet-Boigny's longstanding opposition to a rescheduling, on the grounds that it would tarnish the country's reputation and postpone problems rather than solve them.

But the debt problem has now clearly come to a head. The Ivory Coast, emboldened by economic success, went on a borrowing spree in recent years. Between 1980 and 1983, its debt doubled.

This year, debt service costs represent 40 per cent of export earnings, and the public external debt corresponds to 90 per cent of gross domestic product. According to Finance Ministry estimates, the country will need \$1.25bn in 1984 to service its debt.

As that figure shows, the Ivory Coast is faced with a dramatic bunching of loan maturities. Its liquidity problems have been aggravated by delays in drawing on a World Bank structural adjustment loan worth \$250m granted last July, and by the continuing strength of the dollar, in which nearly half the country's debts are denominated. The U.S. currency has appreciated by some 70 per cent against the CFA franc (the Central African currency) since 1980.

All this represents a severe reversal in the fortunes of a country which has been held up by the World Bank as a model for economic development in sub-Saharan Africa, with its liberal policies encouraging private enterprise and foreign investment. The Ivory Coast's gross domestic product grew at an average annual rate of 7 per cent in the 1960s and 1970s.

President Houphouet Boigny has warned that 1984 will be the most difficult year yet. Offshore oil production has increased much more slowly than planned and is expected to total only 1.1m tonnes in 1983, compared with the budget forecast of 1.5m.

Cocoa production has fallen, although the price is at its highest level for four years. Production estimates for 1983-84 indicate a crop of around 350,000 tonnes, well down on the record 457,000 tonnes two seasons ago.

The International Monetary Fund has said that the Ivory Coast's difficulties are "cyclical" rather than structural. But some officials and bankers disagree, and say that suggestions that the country should borrow to bridge the gap between the collapse of the cocoa market and a rise in oil production were misguided.

Bankers are concerned that debt service costs are unlikely to fall until 1986 at the earliest. Rescheduling should therefore be planned over a much longer period than the 13 months envisaged by the Ivorians, they argue.

As one banker pointed out: "When a developing country joins the rescheduling club, it inevitably becomes a long-term member."

COMPANY NOTICES

SOCIETE GENERALE
French "Société Anonyme"
Capital: French Francs 1,142,819,600
Head office: 29, boulevard Haussmann—PARIS 9e—FRANCE
Commercial Register: PARIS B 552 120 222

SECOND NOTICE TO HOLDERS OF FLOATING RATE NOTES 1983-1991 OF U.S. \$1,000 EACH AND TO HOLDERS OF FLOATING RATE NOTES 1983-1990 OF U.S. \$19,999 EACH

The holders of international floating rate notes 1983-1991 and the holders of international floating rate notes 1983-1990 issued by SOCIETE GENERALE who were called for December 16, 1983, being unable to meet validly for lack of quorum, are again convened to an Ordinary General Meeting, at 59, boulevard Haussmann, Paris 8e (France) on January 9, 1984:

—at 3 p.m. for the holders of international floating rate notes 1983-1991

—at 3.30 p.m. for the holders of international floating rate notes 1983-1990

in order to consider the same agenda as the one for the first meeting, that is:

—Appointment of the noteholder's permanent representatives, designation of the substitute representatives.

—Determination of the noteholder's representatives' powers and of the remuneration given to the permanent representatives.

To permit the noteholders to attend or to be represented at these meetings, the notes or their deposit receipts, must be deposited at least five days before the date fixed for the meeting, at the offices of the banks having participated in the placing of these notes and from whom proxies or admission cards can be requested.

The Board of Directors.

BRITANNIA GROUP OF UNIT TRUSTS LIMITED
BRITANNIA AUSTRALIAN GROWTH TRUST
MEETING OF UNITHOLDERS HELD ON 14th DECEMBER, 1983

At the above meeting of unitholders to consider modernisation amendments held to the Trust Deed of the Trust the voting was as follows:—
Resolution No. 1
For 97.8% of votes cast
Against 2.2% of votes cast
This Resolution was therefore passed by the required majority of 75% of votes cast.
The Trust Deed amendment was effective from 21st December 1983.

LEGAL NOTICES

No. 007016 of 1983
IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
Re: SHORTLOAN INTERNATIONAL LIMITED
AND
Re: THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated the 5th December 1983 confirming the reduction of the Share Premium Account of the above-named Company from £177,578 to Nil was registered by the Registrar of Companies on the 8th December 1983.
Dated 19th December 1983.
LINKLATERS & PAINES,
Solicitors to the Company.

No. 006859 of 1983
IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
Re: SLOANE INDEPENDENT HOSPITALS LIMITED
AND
Re: THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated the 5th December 1983 confirming the reduction of the Share Premium Account of the above-named Company from £1,434,150 to £543,638 was registered by the Registrar of Companies on the 8th December 1983.
Dated 19th December 1983.
LINKLATERS & PAINES,
Solicitors to the Company.

CONTRACTS & TENDERS

DEPARTMENT OF AGRICULTURE FOR NORTHERN IRELAND

SHANTALLOW DRAINAGE
LONDONDERRY SITE INVESTIGATION
CONTRACT

Fixed price tenders are invited from competent and experienced site investigation contractors for a phased investigation of the Shantallo and Ballyarnet areas of Londonderry City, comprising a geophysical survey, drilling 11 boreholes in soft material and an initial 12 boreholes where rock coring up to a maximum depth of about 60 metres will be required.

Tender documents may be obtained from the consulting engineers McCutcheon and Wilkinson, 18 Linenhall Street, Ballymena, Co Antrim BT43 5AL on payment of a deposit of £100.00 which will be refunded on receipt of a bona fide tender not subsequently withdrawn and on return of the tender documents. Cheques should be made payable to the Department of Agriculture for Northern Ireland.

Completed tenders in plain sealed envelopes marked "Tender for Site Investigation, Shantallow" must be returned to the Department of Agriculture for Northern Ireland, Drainage Division, 157 Hillsborough Road, Lisburn, Co Antrim BT27 5PX not later than 3.00 pm, Thursday, 26 January 1984.

Tenders sent by post should be registered or sent by recorded delivery an official receipt must be obtained for tenders delivered by hand.

The lowest or any tender will not necessarily be accepted.

FINANCIAL TIMES
PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: (Editorial) 8954871. Telex: (Advertising) 885033. Telegrams: Finantimo, London. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd., Guiollettstr. 54, D-6000 Frankfurt-am-Main 1, West Germany. Telex: 416193. Telephone: 7598-0. Editorial: Guiollettstr. 54 Telex: 416052. Telephone: 7598-157.

INTERNATIONAL & BRITISH EDITORIAL & ADVERTISEMENT OFFICES

Amsterdam: Editorial P.O. Box 1296, Amsterdam-C. Telex: 16527. Tel: 276 796.
Birmingham: Editorial and Advertising George Hse., George Rd., B15 1PG. Telex: 338650. Tel: 021-454 0922.
Bonn: Editorial Pressehaus 11/104 Heussallee 2-10. Telex: 8869542. Tel: 210039.
Brussels: Editorial and Advertising 39 Rue Ducale. Editorial Telex: 23283. Tel: 512 9037. Advertising Telex: 64219. Tel: 513 2816.
Buenos Aires: Editorial Edificio Sfico Piso 7, No. 74 Avenida Corrientes 456, Codigo 1366. Tel: 3947696.
Cairo: Editorial PO Box 2040. Tel: 751482.
Dublin: Editorial 25 South Frederick St., Dublin 2. Telex: 25414. Tel: Dublin 603378.
Edinburgh: Editorial and Advertising 37 George Street, EH2 2HN. Telex: 72484. Editorial Tel: 031-226 4120. Advertising Tel: 031-226 4139.
Frankfurt: Editorial and Advertising Guiollettstr. 54. Editorial Telex: 416052. Tel: 7598-157. Advertising Telex: 416193. Tel: 7598-0.
Geneva: Editorial 15 rue du Cendrier. Telex: 22589. Tel: 311604.
Hong Kong: Editorial Room 507a, Pedder Building, Pedder Street, Central. Telex: c/o Reuters, HK. Tel: 5-226935.
Johannesburg: P.O. Box 2128. Telex: 8-6257. Tel: 838-7545.
Leeds: Advertising Permanent House, The Headrow. Tel: 0532 454969.
Lisbon: Editorial Rua do Prior 31-33, Lisbon 1200. Telex: 12533. Tel: 674406.
Madrid: Editorial Espronceda 32, Madrid 3. Tel: 441 6772.
Manchester: Editorial and Advertising Queen's Hse., Queen St., M2 5HT. Telex: 666813. Tel: 061-834 9381.
Mexico City: Editorial Calle Dinamarca 54-500, Col Juarez, Mexico 6DF 06600. Tel: 592 5822.
Moscow: Editorial Kutuzovsky 14, Apartment 1, Moscow. Telex: 413300 Finansa. Tel: 243 1635.
New York: Editorial and Advertising Financial Times, 14 East 60th Street, N.Y. 10022. Editorial Telex: 66390. Tel: (212) 752 7400. Advertising Telex: 238409. Tel: (212) 752 4500.
Paris: Editorial and Advertising Centre d'Affaires Le Louvre, 168 Rue de Rivoli, 75044, Paris Cedex 01. Telex: 220044. Tel: 297 2000.
Rio de Janeiro: Editorial Avenida Rio Branco 45, Salas 2611-2612, Centro CEP 20090, Rio de Janeiro RJ Brazil. Tel: 263 8845. Telex: c/o Reuters.
Rome: Editorial Via della Mercede 55. Telex: 610032. Tel: 678 3314.
Stockholm: Editorial Svenska Dagbladet, Raalambsvagen 7. Telex: 17603. Tel: 50 60 88.
Sydney: PO Box 182, Spit Junction. Tel: 969 5130.
Tokyo: Editorial 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Fax: 245 0358. Tel: 241 2920. Telex: 27104. Advertising Kasahara Building, 1-6-10 Uchikanda, Chiyoda-ku. Telex: 127104. Tel: 295 4050.
Washington: Editorial 1171 National Press Building, Washington DC 20045. Telex: 440340. Tel: (202) 347 8920.

For Share Index and Business News Summary, Telephone 246 8026 (number, preceded by the appropriate area code valid for London, Birmingham, Liverpool and Manchester).

UK NEWS

Car price war to restart in January

DEALER incentive campaigns are to be launched next month by Austin Rover, subsidiary of state-owned BL, and Vauxhall-Opel, offshoot of General Motors. The new campaigns make it virtually certain that the discount battle on car prices will start again in 1984.

Ford, the UK market leader, ended extra dealer incentives in September, but is not expected to ignore the latest moves of its main rivals.

Austin Rover will offer dealers up to an extra £500 on each Maestro 1.3 and £750 on most Ambassador models for those who achieve 105 per cent of agreed targets. There will be smaller bonuses for other models. It is the first time that the Maestro, launched last spring, has been included in an incentive campaign.

Vauxhall-Opel will announce details of its campaign on January 6.

● **THE GOVERNMENT** confirmed yesterday that Mrs Margaret Thatcher's exchange of messages with President Raul Alfonsin of Argentina was intended to herald a new approach to the dispute over the Falklands.

Mr Raymond Whitey, Foreign Office minister, said: "It was a manifestation of the wish we have consistently expressed to return to a normal, rational relationship with Argentina."

● **TRUSTEES** of the Mineworkers Pension Fund have been authorised by a High Court judge to go ahead with a proposal to invest more of the fund's assets in the U.S.

The decision, after a three-day private hearing, is a setback for Mr Arthur Scargill, miners' union president, and four other trustees, who argued that the fund should not invest overseas or in competing sources of energy.

● **A FURTHER** £25m of grants has been allocated by the Government to encourage large energy users to switch to coal from oil or gas. The money, available over the next 12 months, is in addition to £50m earmarked for coal conversion over the past two years.

● **LORD PILKINGTON**, life president of the Pilkington glass group, died yesterday in hospital at St Helens, Merseyside. He was 78.

Cabinet studies plans to tighten Ulster security

BY MARGARET VAN HATTEM

THE BRITISH Cabinet is to consider proposals for improving security in Northern Ireland early next year. Ministers yesterday spent three-quarters of an hour discussing the security situation in the aftermath of the Provisional IRA car bombing outside Harrods, the London department store, last weekend. Five people were killed, including two policemen, and more than 90 injured.

The ministers are understood to have agreed to give more attention to assessing whether or not further measures were required to improve security. They discussed whether the existing law against incitement to violence could be more effectively used, for example against politicians and prominent public figures who openly support paramilitary activities.

This follows the decision the day before by the Irish Government to review its own laws of incitement.

The UK Cabinet decided not to proscribe Sinn Fein, the political wing of the IRA. Ministers strongly backed Mr James Prior, the Northern Ireland Secretary, who has consistently argued against proscription. He has pointed out that its members would merely continue to operate under another name.

Earlier this week, Mr Leon Brittan, the Home Secretary, said that there were two views on the question of banning Sinn Fein. But the view in support of proscription appears to have been held by only a small minority in Cabinet.

Mr James Prior: opposed to banning Sinn Fein

Ministers appear to have been influenced by the decision of the Irish Government earlier this week not to proscribe the party, at least for the time being.

The UK Cabinet is reported to have expressed strong support for Mr Prior, who has been under attack from sections of the right-wing British press after the Harrods bombing.

No initiative on security is expected immediately. The Government is likely to wish to take into account the report of the Dublin-based Forum for a New Ireland, which is examining options for a political settlement

Shipyards' strike 'act of mindless folly'

BY KEVIN BROWN

A NATIONAL shipbuilding strike due to begin on January 6 was an act of mindless folly which would cause disbelief in the shipyards of West Germany, Japan and South Korea, Mr John Butcher, Industry Under-secreatry, said yesterday in the House of Commons.

Mrs Margaret Thatcher, Prime Minister, linked the plan for a strike over pay and productivity with the future of the troubled Scott Lithgow yard on the lower Clyde. "Shipbuilding orders are very difficult to get... it is a tragedy if people strike themselves out of a job," she said.

She repeated that the Government would not intervene to save an £88m oil rig contract placed with Scott Lithgow, but cancelled by Britoil this week because the yard could not meet a delivery deadline.

The future of the yard and the jobs of up to 8,000 shipyard and other workers are in jeopardy.

Japanese approve UK for investment

By John Lloyd, Labour Editor

THE JAPANESE Government has given the official stamp of approval to the UK as a location for investment with the publication by the Japanese External Trade Organisation (Jetro) of a guidebook for investment in the UK.

It is the fruit of a year's work by Jetro, the Japanese Embassy and the Japanese Chamber of Commerce in the UK. Some 3,000 copies of the guide have been given away free to businessmen in Japan, and it has the explicit aim of attracting further Japanese investment to Britain.

The guide draws on the experience of 20 Japanese companies already located in the UK. Newcomers to the UK are in the majority and, as the guide delicately puts it, "high profitability is not yet established."

The only other element to dull the picture is the supply of components. "Companies interviewed have not always been satisfied with the quality, delivery time and price of their suppliers," the guide says.

Otherwise the record appears unblemished, and there is no hesitation in dealing with the British reputation abroad. "In Japan, the UK is reputed to have frequent strikes ... however, strikes are confined to the nationalised industries and the public sector, and are rare in the private sector."

Response of the Japanese subsidiaries appears to have been remarkably positive. Conceding that it has been necessary "to minimise trade friction by setting up local companies" and to "gain access to the European as well as the UK market," the companies are loud in their praise.

The replies also reveal that the personnel techniques brought in by many companies have given the Japanese companies an edge over their UK rivals. A sports equipment manufacturer has introduced a flexible system under which employees can do three or four different jobs, while YKK, the zip fastener makers, has emphasised quality control to the point where it has less need for quality controllers than its competitors.

Local development corporations in Scotland and Wales – which host many of the plants – have gone so far as to build Japanese schools.

WORLD TRADE NEWS

Finns and West Germans to build Soviet port

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

THE SOVIET UNION yesterday awarded contracts worth around FM 1bn (£120m) to a group of Finnish and West German companies for the construction of a major new Baltic port.

It is one of the biggest contracts ever awarded by Moscow to the Finnish construction industry and comes only days after the two countries reached a framework agreement in Moscow covering bilateral trade worth some FM 190bn (£23bn) over the five years from 1986-1990.

The contracts signed yesterday in Helsinki cover the building of a new port about 10 km to the east of the Estonian city of Tallinn. The port, destined to become one of the biggest in the Baltic, will be designed chiefly to handle grain and other foodstuffs, mainly meat and fruit.

The contract has been under negotiation for about two years and has been the subject of competition between several Finnish consortia and the Johnson Construction company from Sweden.

As late as Wednesday, the Swedish concern was still negotiating with the Russian authorities in Helsinki, but yesterday a main contract was awarded to the Finnish Portal Group.

The Portal consortium consists of five Finnish companies, Perusyhtyma, YIT, Vesto, Omp and Vesi-Pekka. It has won the main port construction contract worth around FM 500m plus a small part of the orders for grain handling equipment.

The main contracts for such machinery has been awarded, however, to Buehler-Miag of West Germany. In addition, the Finnish group EKE Engineers is to supply a cold store for meat and fruit handling worth some FM 250m-FM 300m.

Initial civil construction work worth around FM 500m will be carried out by the Soviet Union itself, putting a total value on the project of some FM 1.5bn.

The port should be ready for operation in early 1987. The construction phase will mean a workforce of around 2,000, of which some 600 are expected to come from Finland.

The biggest construction contracts won to date by Finnish companies in the USSR include an iron-ore complex and new town at Kostamus and a pulp and paper complex and new town at Svetogorsk. Further phases of both these projects are currently being negotiated.

Final details of the financing of the Tallinn port project are still to be agreed.

Next year's trade between Finland and the USSR is scheduled to total around FM 38bn of which some FM 19bn will be accounted for by Finnish imports, chiefly of oil and other raw materials. Finnish exports, chiefly of machinery and ships, could total some FM 18.5bn.

Trade between the two countries is supposed to balance over a longer period but in the last two years Finland has faced problems importing sufficient raw materials to balance rising exports, particularly of engineering products.

The Soviet Union already accounts for around 40 per cent of the Finnish construction industry's foreign order books and for around a quarter of Finland's total exports.

Baltic exile groups were strongly critical of the Tallinn port projects yesterday. They claimed that it would lead to a further Russification of the Estonian capital, where around 50 per cent of the population already consists of Russian immigrants.

India cuts duty on components for some cars

By John Elliott in New Delhi

CUSTOMS and excise duties on imported components for cars with modern fuel-efficient engines of over 1,000 cc are to be cut from a level of 185-210 per cent to 55 per cent for the next five years.

This will help to bring down the price of India's two existing medium-sized saloon cars when they are modernised in the next two or three years.

Announced by the Indian Government yesterday, the concession is in line with reductions already announced for cars of under 1,000 cc to help an 800 cc Suzuki car recently launched by the government-owned Maruti car company.

The existing 1,450 cc Hindustan Ambasador, based on the old British Morris Oxford, is to have a new Vauxhall body next month and an Isuzu engine in 1985. When that engine is installed, the concessions will apply, reducing the likely price of the car from about $13,500 to $10,500.

The second car involved is the Premier Padmini, based on an old Fiat model. It is to have a Seat 124 body next year and a new engine later.

Premier is now negotiating with possible engine suppliers including two Japanese companies, one of which is Nissan, and Renault and Fiat from Europe, although Renault is believed not to have offered a satisfactory modern engine in the 1,100 cc range needed.

Brazil wins £53m ship order from W. Germans

BY OUR WORLD TRADE STAFF

A GROUP of three West German shipowners have placed a collective order with the Brazilian yard of Companhia Comercio e Navegacao (CCN) for the construction of nine semi-container vessels. The deal is worth DM 210m (£53m).

The ships, all double-skin, semi-container vessels of 10,000 metric tonnes each, and with a 650 TEU container capacity, will be delivered to the German companies between mid-1985 and mid-1986.

The three German owners are Leonhardt Reederei of Hamburg, which has ordered five of the vessels, Befrachtungskonto Hansen of Flensburg, which has ordered two, and Hans Krueger of Hamburg, which also has ordered two.

Dutch shipyard 'must have cash to finish submarines'

THE HAGUE—THE Wilton-Fijenoord shipyard of Rotterdam, said yesterday it does not have the money to finish the two submarines it is building for Taiwan—one day after the Dutch Government blocked a Taiwanese order for more submarines.

"If we want to finish the ships, we need to have money to build them," said shipyard official Mr Van Vliet.

"If we had had a repeat order, we could have financed construction of the two submarines ourselves."

The Dutch Government announced on Wednesday that it would not issue an export licence to Wilton-Fijenoord for additional submarines because of the harm such further business might do to Dutch-Chinese relations.

The Rotterdam yard's board chairman, Mr Bas Sluis, yesterday met the Dutch Economic Ministry to discuss the company's problems.

Meanwhile, in Taipei, Dutch and Taiwanese officials said trade may suffer because of the Dutch Government ban.

Dutch exports to Taiwan were worth $200m (£133m) in the first 11 months of the year—40 per cent higher than the same period last year.

The Taiwan Defence and Foreign Ministries have declined to comment, but Government officials said the rejection was a surprise.

They said Taiwan has received assurances on the deal as recently as last week from a visiting Dutch mission

Agencies

Sharp rise in Irish exports

BY BRENDAN KEENAN IN DUBLIN

THE IMPROVEMENT in the U.S. economy has helped the Irish Republic turn in a better-than-expected export performance in 1983, with exports up 10 per cent in volume or 20 per cent by value.

Sales to the U.S. increased by 28 per cent, mostly in electronics and chemicals—products normally produced in Ireland by the offshoots of U.S. multinationals.

The manufactured sector showed the strongest performance with an 11 per cent growth in volume. Most of this was accounted for by new, foreign-owned industry attracted to Ireland by its generous tax incentives.

But the Irish Export Board, CTT, pointed out that traditional Irish products such as clothing, footwear and glassware had performed well.

Sales to the EEC, other than Britain, were also strong, with a 21.8 per cent value rise, with West Germany and France as the major market.

The British market continues to be difficult for Ireland because it is the area in which traditional Irish companies specialise and they have been suffering from stiff competition from UK companies.

Even so, exports to the UK grew by 14 per cent but CTT is anxious to improve the marketing and product development strength of Irish companies selling into Britain.

Agricultural products showed a reasonable growth at 11 per cent but the traditional Irish dairy products are suffering. The Irish Dairy Board reports that exports were down 2 per cent in value.

Dead Sea conveyor order may go to UK

By Maurice Samuelson

TWO BRITISH mining equipment companies are bidding to build an 11-mile overland conveyor to transport potash from Israel's Dead Sea chemical works through some of the wildest terrain in the Negev desert.

Anderson Strathclyde of Glasgow, and Cable Belt, part of the Laird Group, are both involved in final negotiations of the scheme, which would cost about $20m (£13m).

The most serious non-British contender is E. L. Bateman of South Africa, which has close links with the Israeli chemical industry, and is involved in other aspects of its expansion programme.

A U.S. company also has been consulted. However, there appear to be reasonable prospects that one of the UK concerns will win the job.

The conveyor would raise more than 2m tonnes of potash a year up a 3,000 ft incline from the Sodom chemical works to the railhead at Tsefa, near Dimona.

Its construction will present considerable engineering problems since the area is scarred by deep ravines and wadis and the proposed route crosses two 600 ft escarpments.

At present lorries of the Dead Sea Works haul the potash to the rail head up steep, winding roads.

Following visits to both companies in Britain over the past fortnight, officials of the Dead Sea works will next month inspect some of their installations in other countries, including Australia, the U.S. and France, before making their final choice.

British hopes of success have been buoyed by unusually attractive financial terms from the Export Credits Guarantee Department (ECGD).

Although Israel is regarded as a relatively rich country for the purpose of export credits, the Dead Sea Works company is being offered loans at 9 per cent interest repayable over 10 years after the project is commissioned. These terms are usually only offered to relatively poorer countries.

N. M. Rothschild is acting as Cable Belt's financial advisers on the project, while the New York-based Manufacturers Hanover is acting for Anderson Strathclyde.

A final decision to order the conveyor will be made in the face of strong pleas by the Israeli Transport Ministry that the Sodom works should be linked to the railway system as part of an eventual rail connection between the Mediterranean and Israel's Red Sea port of Eilat.

However, the cheapest rail link from Dimona to Sodom is claimed to be at least twice as dear as a conveyor and beyond Israel's tightly stretched resources.

● Schroder Wagg, the London merchant bank, has signed a £9.96m credit backed by the ECGD which will help finance a contract awarded to Balfour Beatty for the installation of a 400 KV overhead transmission line to bring power from a station to be constructed at Aqaba to Amman.

The borrower is the Jordan Electricity Authority. This is the first project-related ECGD-backed credit in the Jordanian market.

Japan set to gain in world vehicle sales

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

DESPITE huge investment and managerial effort by the automotive industry, world vehicle sales by the end of 1985 will be only 1m above the 1979 level—and virtually all the benefit will go to the Japanese, according to the latest forecasts by Automotive Research and Management Consultants (ARMC).

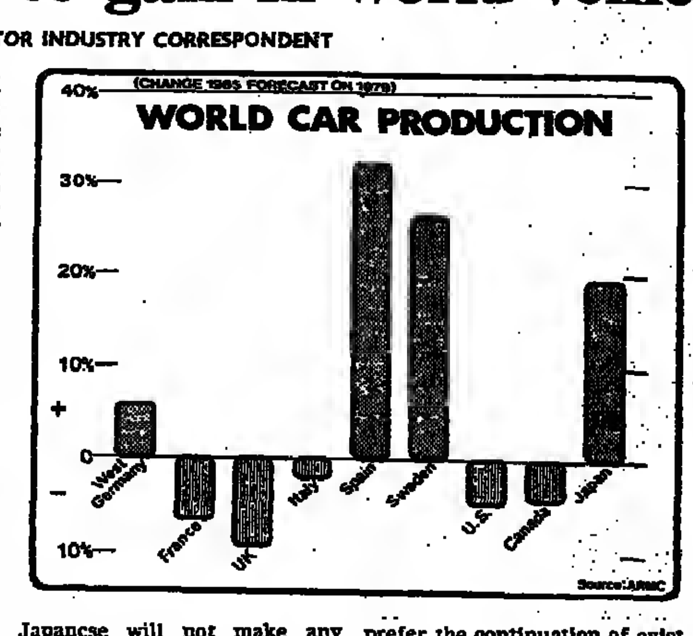
ARMC suggests that the Japanese will be better off to the tune of 2m vehicles, while the North American manufacturers will be 1m down on their 1979 output.

The Western European producers are forecast to better their 1979 production volume by 133,000 vehicles, or 1.1 per cent, taking it to 12.59m vehicles by the end of 1985.

World-wide vehicle output at that time is predicted to be 36.25m, or 2.7 per cent up on the 1979 total of 35.29m.

Despite the impressive recovery being achieved by U.S. and Canadian vehicle producers, North American vehicle output in 1985 could be 8 per cent down on 1979's volume of 13.11m. ARMC states in its latest International Automotive Review.

Within Western Europe, the major casualty is forecast to be the UK, with vehicle output expected to be 18.5 per cent down from 1979's volume of 1.479m. In contrast, Spain's production should be up by 28.2 per cent in 1985 to 1.44m.



ARMC maintains that the Japanese will not make any major shift of their vehicle production away from Japan. "The evidence is that the Japanese are still very reluctant to establish manufacturing plants abroad.

"We do not refer to the many small-scale assembly facilities which exist around the world which are fed with really quite complete kits from Japan.

"The preference to manufacture in Japan is still widespread and on economic grounds, the Japanese have good reason to prefer the continuation of existing policies and practices."

"The dilemma now is how important are political considerations, however sound the economic case might be for the Japanese to retain control of their engineering, production methods, quality control and components manufacture."

ARMC reckons that "much publicised" joint ventures between Japanese and European manufacturers—such as those between BL and Honda, Nissan and Motor Iberica, and Nissan and Alfa Romeo—"involve relatively small volumes."

It points out that "the General Motors-Toyota joint venture is suspended or at least its fate is in the balance. Nissan's plans to build a car factory in the UK are even more doubtful

"Nissan has repeatedly stated that (the proposed UK venture) was an "assessment study."

"The consensus of opinion is that the Nissan UK plant will not materialise."

ARMC points out that the EEC countries are divided in their approach to the "Japanese problem" in the automotive industry.

The British "favour encouraging efficient foreign manufacturers to locate within the EEC, while the French believe that existing national industries should be assisted to meet the challenge of the Japanese producers.

"France refused to allow Ford and General Motors to establish plants in France in the 1960s for similar reasons. The way that this difference of opinion is resolved (or not) will have important consequences for the long-term pattern of Japanese investment in Europe

"International Automotive Review," pp 152. ARMC, BJM House, 67, Clerkenwell Road, London EC1R 5BH. £240.

THE ARTS

Arts Week

F	S	Su	M	Tu	W	Th
23	24	25	26	27	28	28

Theatre

NEW YORK

Cats (Winter Garden): Still a sellout, Trevor Nunn's production of T. S. Eliot children's poetry set to trendy music is visually startling and choreographically feline, but classic only in the sense of a rather staid and overblown idea of theatricality. (239 6262)

La Cage aux Folles (Palace): Perhaps this season's outstanding musical comes, like Evita and Cats before it, at the very beginning of the theatrical year. Despite stellar names such as Harvey Fierstein writing the book and Jerry Herman the music, the best parts of the show are not the hoopla, apart from the first-act finale a la Gaîté Parisienne, but the intimate moments borrowed direct from the film. (757 2626)

42nd Street (Majestic): An immodest celebration of the heyday of Broadway in the '30s incorporates gems from the original film like Shuffle Off To Buffalo with the appropriately brash and leggy hoofing by a large chorus line. (977 9020)

Torch Song Trilogy (Helen Hayes): Harvey Fierstein's ebullient and touching story of a drag queen from backstage to loneliness incorporates all the wild histrionics in between, down to the confrontation with his doting Jewish mother. (944 9450)

Dreamgirls (Imperial): Michael Bennett's latest musical has now become a stalwart Broadway presence despite the forced effort to recreate the career of a 1960s female pop group, a la Supremes, without the quality of their music. (239 6200)

Nine (46th St): Two dozen women surround Sergio Franchi in this Tony-award winning musical version of the Fellini film 8½, which like the original celebrates creativity, here as a series of Tommy Tune's exciting scenes. (246 0246)

On Your Toes (Virginia): Galina Panova with presumably a genuine Russian accent leads an exuberant cast in the remake of Rogers and Hart's 1936 sendup of Russian ballet tours, complete with Slaughter on Tenth Avenue choreographed by George Balanchine and directed, like the original, by George Abbott. (977 9370)

Brighton Beach Memoirs (Neil Simon): If he wasn't sure before, playwright Neil Simon can expect a long run of his funny as well as touching childhood reminiscence now that the Nederlander organization generously decided to name the theatre after the generation's outstanding box office draw. (757 8646)

A Chorus Line (Shubert): The longest-running musical ever in America has not only supported Joseph Papp's Public Theater for eight years but also updated the musical genre with its backstage story in which the songs are used as auditions rather than emotions. (239 6200)

Carmen (Vivian Beaumont): Peter Brook has done an excellent job in transforming this Lincoln Center landmark into a spruced up version of his grubbier Paris Bouffe du Nord home for a fast-paced, stripped-down seven-performer, but wholly engrossing version of Bizet. (874 6770).

Noises Off (Brooks Atkinson): Dorothy Loudon brings Michael Frayn's backstage slapstick farce to Broadway in Michael Blakemore's production that includes Brian Murray, Paxton Whitehead and Victor Garber as her backstage conspirators. (245 3430)

CHICAGO

E. R. (Forum): Moving into its second year parodying melodrama in a hospital setting, this emergency room continues its adventures among a young doctor, a receptionist and an authoritarian nurse. (496 3000)

WASHINGTON

Beyond Therapy (Kreeger): Christopher Durang's romantic comedy has all the elements of modern singles life including meeting through the personals column of a newspaper and a scene in a hip restaurant, but it reflects more than explores the shallowness of a surfeit of choices. Arena Stage (488 3300)

As You Like It (Arena): The Napoleonic era with its bows to Romanticism are the setting of Douglas C. Wager's production with Frances Conroy as *Rosalind* and *Tom Hewitt* as Orlando. Ends Jan 1. (488 3300)

Agnes of God (Eisenhower): Hysterical pregnancy of a contemporary novitiate makes for emotional heat but little light in John Pielmeier's melodramatic play starring Elizabeth Ashley and Mercedes McCambridge. Kennedy Center (254 3670). Ends Jan 7

LONDON

Dancin' (Drury Lane): Bob Fosse's answer to A Chorus Line makes Wayne Sleep and his Dash company look like the real thing. At least the band is splendid, and so is Jules Fisher's lighting. Anyone who has seen Alwin Nikolais or even Fosse's own All That Jazz need not apply. (836 8108).

Blondel (Old Vic): It is a real pleasure to visit Honest Ed's Old Vic, full of light, space and pleasant stairways. Shame about the show, which not even Paul Nicholas's charm as a troubadour (rhyming with "fondle") in search of both Richard the Lionheart and a hit song can rescue. Blondel finds his king, but not the rhapsody. (928 7616).

Dear Anyone (Cambridge): Jane Lapotaire, without Piaf's songs, is still a very fine musical actress, but Jack Rosenthal's book to lyrics by Don Black and music by Geoff Stephens is nothing except a few Jewish jokes. Ralph Koltai's design for a newspaper office is an impressive steel astrolabe. (379 5299).

Hay Fever (Queen's): Penelope Keith is more "right" for Judith Bliss than were either Edith Evans or Celia Johnson. She is very funny, winsomely autocratic, distracted. The supporting actors roll over without protest. (734 1166).

Pack of Lies (Lyric): Judi Dench in a decent, enthralling play about the breaking of a spy ring in the suburban Ruislip of 1959-60. Hugh Whitemore's script cleverly constructs a drama about betrayal from the friendship of neighbours. The *story* is based on fact and well directed by Clifford Williams. (437 3686).

The Real Thing (Strand): Susan Penhaligon and Paul Shelley now take the leads in Tom Stoppard's fascinating, complex, slightly flawed new play. Peter Wood's production strikes a happy note of serious levity. (836 2660/4143)

Daisy Pulls It Off (Globe): Enjoyable romp derived from the world of Angela Brazil novels: gym slips, hockey sticks, a clifftop rescue, stout moral conclusion and a rousing school hymn. Spiffing if you're in that sort of mood. (437 1592)

Noises Off (Savoy): The funniest play for years in London, now with an improved third act. Michael Blakemore's brilliant direction of backstage shenanigans on tour with a third-rate farce is a key factor. (836 8888)

Festival fare in Washington

Again the Kennedy Center Holiday Festival features a variety of musical programmes from near and far. Besides local Washington groups like the Mary Blankemeier Band and Alexandria Community Singers, the free activities include the African Heritage Dancers and the Keren Ohr Israeli Dance Troupe.

A fortnight's festivities move toward the new year with the Raquel Pena Spanish Dance Company and the now traditional Night in Old Vienna, with conductor Alexander Schneider and friends performing Mozart, Schubert, Strauss and others.

Specific Christmas fare can be heard from a Handbell Spectacular directed by Nancy Cappel, the film of A Christmas Carol, the New Age Woodwind Quintet and A Renaissance Christmas done by dancers and the Dupont Circle Consortium of Renaissance instruments.

For children there is the Magic of Hans Christian Andersen with puppets and the communal Messiah Sing Along (254 3600).

Isaac Stern at Carnegie Hall, new York

Music

LONDON

Gilbert & Sullivan Gala with the London Concert Orchestra conducted by Fraser Goulding with Ann James, soprano, Doreen Walker, mezzo-soprano, Graeme Matheson-Bruce, tenor, Martin McEvoy, baritone and Kenneth Sandford, bass-baritone. Barbican Hall (Mon). (638 8891).

Royal Philharmonic Orchestra conducted by James Blair with Stephen Hough, piano. Rossini, Handel, Grieg and Beethoven. Barbican Hall (Tue).

The Parlour Quartet Victorian Christmas treats performed in costume by Maureen Koetch, soprano, Angela Vernon Bates, mezzosoprano, Robert Carpenter Turner, baritone, and Kenneth Barclay, piano.

NEW YORK

New York Philharmonic (Avery Fisher Hall) Kurt Sanderling conducting, Shlomo Mintz violin. Moussorgsky, Shostakovich, Prokofiev, Schubert (Thur) Lincoln Center (874 2424).

New York String Orchestra (Carnegie Hall) Alexander Schneider conducting, Isaac Stern violin, Yo Yo Ma, cello. Brahms, Beethoven (Thur) (247 7459).

WASHINGTON

Concert Hall: New York String Orchestra. Alexander Schneider conducting. Vivaldi, Beethoven, Brahms (Mon). Kennedy Center (254 3776).

Exhibitions

WEST GERMANY

Berlin, Akademie der Künste, 10 Hanseatenweg: Designs, furniture, drawings and publications by Adolf Loos, the Austrian architect and master craftsman (1870 to 1933). Ends Jan 15

Brunswick, Herzog Anton Ulrich Museum, 1 Museumstrasse: French Painting from Watteau to Renoir has 70 landscapes, still lives and portraits from the 18th and 19th centuries. Ends Jan 22

Bremen, Kunsthalle, 207 Am Wall: A survey of the work of Odilon Redon (1840 to 1916), the French symbolist painter. It comprises 200 oil paintings, pastels, drawings and graphics. Ends Jan 22

Hanover, Kestner Gesellschaft, 16 Warmbüchenstrasse: Expressive paintings and coloured bronze sculptures by Sandro Chia, created by the Italian "fauve" artists between 1975 and 1983. Ends Jan 22

Düsseldorf, Städtische Kunsthalle, 4 Grabbeplatz: Picasso sculpture. The 197 pieces – made of wood, plaster, bronze, wire wrapping and rolled iron sheets – span all periods. Ends Jan 29

Frankfurt, Jahrhunderthalle Hoechst, Pfaffenwiese: Water colours, drawings and documents from between 1904 and 1967 by Erich Heckel, the German expressionist and co-founder of the Brücke school of painting, exhibited on the occasion of his centenary. Ends Jan 8

Munich, Haus der Kunst, 1 Prinzregentenstrasse: The museum is showing chiefly Heckel's early work. There are paintings, drawings and watercolours. Ends Feb 2

Hanover, Wilhelm Busch Museum, 1 Georgengarten: The first venue of the roving exhibition with 176 etchings and lithographs by George Cruikshank, the British cartoonist. Ends Jan 8

ITALY

Milan: At the Chiesa delle Grazie there are 100 pre-Raphaelite and Neogothic paintings for church windows.

Venice: Palazzo Ducale, 7000 years of China exhibition. Ends Dec 31. Museo Correr: Titian's engravings on show. Palazzo delle Prigioni: exhibition of works by Massimo Campigli,

HOLLAND

Irish Culture from 3000 BC to 1500 AD in Amsterdam's Rijksmuseum until Feb 28. The Book of Kells, the most magnificent illuminated version of the gospels in Europe, is joined by a hoard of bronze, silver and gold treasures, all finely wrought and many of them encrusted with jewels – a reminder that long before its present troubles, Ireland had its golden age and was the last repository of Western art and learning to fall to the Vikings.

One hundred paintings by modern Dutch artists at the Stedelijk Museum, Amsterdam. Until Jan 8.

PARIS

Raphael – Three exhibitions pay homage to the great Renaissance painter – born 500 years ago. The Grand Palais assembles, for the first time, most of the paintings and drawings from French museums, among them Le Petit Saint Georges, La Belle Jardinière and Balthazar Castiglione's portrait. Another exhibition shows Raphael's influence on French art from the 16th century to the present. Grand Palais (2615410). Closed Tue, Wed late closing. Ends Feb 13. The Louvre completes the anniversary celebrations with an exhibition of the most brilliant of Raphael's collaborators, among them Giulio Romano, and of his disciples. Louvre, Cabinet Des Dessins (260 3926). Closed Tue. Ends end of Feb.

Balthus – in collaboration with the Metropolitan Museum 50 paintings and as many drawings are shown in the secretive painter's first retrospective revealing a universe peopled with adolescent girls and cats in an atmosphere of troubling innuendoes. Centre Georges Pompidou. Closed Tue. Ends Jan 23 (277 1233)

Cycladic Art from the N. and D. Goulandris Collection – more than 200 remarkable items dating from the third century B. C. are being shown at the Grand Palais before returning – definitely – to Athens. Grand Palais (ends Jan 9). Closed Tue, Wed late closing night 10 pm (261 5410)

LONDON

The Hayward Gallery: Raoul Dufy – a timely reminder that this hero of countless chocolate boxes and postcards, the acceptable face of modern art, was not only a significant painter but a Fauvist of peculiar character, a follower but no slave of Matisse, who later developed into a decorative artist of the first importance. His elegantly perfunctory notation, and his characteristic imagery – white sails in the bay, palm trees below the balcony, bright silks against the apple green of the racecourse, have been taken up and broadcast endlessly by lesser talents. His fabric designs and tapestries are especially remarkable in a beautiful and necessary exhibition. Ends Feb 5.

The Hayward Gallery: Hockney's Photographs – a brisk survey of Hockney's practical use of the camera from simple reference and aide memoire to photographic exercises. This latter aspect developed slowly but has speeded considerably in the past 18 months. The composite photographic image is no longer just a simple still life or portrait study, but a strange and intriguing image of an event, a sequence of action, a passage of time. Ends Feb 5

NEW YORK

Cantor Sculpture Centre: Set against a spectacular view of New York atop the World Trade Tower, 35 Rodin sculptures are displayed in the enlargements and reductions carried out by Rodin collaborator and reproducer Henri Lebosse. One World Trade Center, 105th storey

Willem de Kooning (Whitney): This major retrospective with 250 works covering the artist's entire career is divided into drawing and painting and sculpture sections. Half the exhibits are drawings. And there are 25 sculptures. Ends Feb 19.

WASHINGTON

National Gallery: Art of Aztec Mexico combines works confiscated during the Spanish conquest of 1521 with the unearthing in 1978 of the Great Temple of Tenochtitlán, capital of the Aztec empire, in central Mexico City. The most comprehensive Aztec art exhibit ever mounted in America reflects the religion that suffused the Aztec culture, with gods performing sacrifices that had to be repeated by man in order to keep the sun moving across the sky and the cosmos working. Ends Jan 8, 1984

National Museum of Natural History: The Precious Legacy contains 350 secular and religious Jewish objects the Nazis preserved in Czechoslovakia for a "Museum of an extinct race", covering five centuries of gold, portraits, textiles and other crafts from the collection of the State Jewish Museum in Prague. Ends Dec 31

CHICAGO

Museum of Contemporary Art: 48 paintings of Superrealist Malcolm Morley trace the British-born painter's style from its origins in abstract works through Pop art to the ocean liners based on postcards that show the photo-realist influence of his self-styled Superrealism. Organised originally by the Whitechapel Gallery in London, the show includes recent pastoral landscapes with beach scenes and animals. Ends Jan 22

Opera and Ballet

PARIS

Don Quichotte, ballet in three acts to Ludwig Minkus's music, choreography by Rudolf Nureyev after Petipa, production by Rudolf Nureyev. Decor and costumes by Nicholas Georgiadis, conducted by Andre Presser/John Lanchbery at the Paris Opera – Palais Garnier (266 5022).

Vive Offenbach enlivens the festive season at the Opera Comique – Salle Favart (296 0611).

Nikolais Dance Theatre with Nikolais, the genius of a juggler, is preceded at 6.30pm by the Californian Jazz Tap Ensemble, full of contagious rhythm and fantasy, at the Théâtre de la Ville (274 2277).

Duke Ellington's Sophisticated Ladies – a musical by Donald McKayle and Michael Smuin at the TMP-Châtelet (233 4444).

WEST GERMANY

Berlin, Deutsche Oper: The week starts with Hänsel und Gretel produced by Filippo Sanjust. Premiering this month is a new production of Orpheus in der Unterwelt, by Götz Friedrich with a new cast. In the main parts are Julia Varady and Patricia Wise.

Hamburg, Staatsoper: There has been much acclaim for new productions of Ein Überlebender aus Warschau/Die Glückliche Hand/Die Jakobsleiter, shown for the first time in Hamburg. The three one-act operas are produced by Peter Mussbach and conducted by Christoph von Dohnanyi. Hänsel und Gretel is perfectly cast with Elisabeth Steiner and Yoko Kawahara in the title roles. Der Liebestrank brings together Guiseppe Taddei, Neil Shicoff and Kathleen Battle. Die Frau Ohne Schatten has Leonie Rysanek, famous for her rendition of the empress.

ITALY

Milan, La Scala: Giselle choreographed by Giovanni Corelli and Jules Perrot with Carla Fracci, Elisabetta Terabust and Peter Schaufuss; L'Italiana in Algeri conducted by Claudio Abbado and designed by Jean-Pierre Ponnelle.

LONDON

Royal Opera, Covent Garden: Die Fledermaus, the Royal Opera's multilingual knees-up, now has at least an authentically mezzo-soprano Orlofsky (Doris Soffel) to right the balance of past stylistic indelicacies. Placido Domingo makes his British opera conducting debut; the rest of the principals are known quantities – Te Kanawa, Prey, Heichele, Luxon (240 1066).

Royal Opera House, Covent Garden: Ashton's Cinderella, with two matinee performances. (240 1066).

Sadler's Wells, Rosebery Avenue: The theatre's branch of the Royal Ballet opens a season on Thursday with Coppelia (278 8916).

Royal Festival Hall: London Festival Ballet dances the Nutcracker twice daily from Tuesday (928 3191).

NEW YORK

Metropolitan Opera (Opera House): Hansel and Gretel, with Gail Robinson as Gretel, conducted by Thomas Fulton, highlights a week that also includes Fidelio with soprano Eva Marton as Leonore; conducted by Klaus Tennstedt, Tristan und Isolde conducted by James Levine with Hildegard Behrens as Isolde and Manfred Jung as Tristan, with Samaritani's new production of Ernani. Lincoln Center (580 9830).

New York City Ballet (New York State Theatre): Month-long performances of the Nutcracker continue. Lincoln Center (870 5570).

WASHINGTON

Washington Opera (Terrace): Gian Carlo Menotti's The Medium and The Telephone designed by Zack Brown is staged by the composer with Sheryl Woods and Wayne Turnage in The Telephone and Nadia Pelle, Beverly Evans and Francis Menotti in The Medium, both conducted by Lorenzo Muti. Kennedy Center (254 3770).

American Ballet Theatre (Opera House): The Baryshnikov Cinderella, choreographed with Peter Anastos, features lavish costumes and sets by Santo Loquasto in this, its world premiere. Kennedy Center (254 3770).

Cinema/Nigel Andrews

Soap opera meets Sci-Fi

Brainstorm, directed by Douglas Trumbull
Krull, directed by Peter Yates
The Lift, directed by Dick Maas

Natalie Wood as Karen Brace in "Brainstorm"

The Sci-Fi epic *Brainstorm* ushers us into an electro-telepathic future where mind-reading and sensation-sharing are available at the touch of a switch. The film begins boldly, builds promisingly, but ends by getting its electrodea in a terrible twist by the final act.

Ever since *Frankenstein*, Hollywood has loved going to the laboratory. White coats, microscopes and sizzling light-up wires enshrine the magic of the future; Greer Garson discovers radium as boldly and charismatically as Edward G. Robinson discovering a cure for sypbilis on the next soundstage; and the audience casts itself willingly as the mice on the treadmill, scampering from plot-point while remaining cheerfully immune to the fact that they are covering no serious scientific ground at all.

Chutzpah is all. If the film-maker can make the gobbledegook convincing, the audience will eagerly follow the cyclical trail to hoped-for reward: as they do here for an hour or more. Dr Louise Fletcher, heroically ignoring her worsening heart condition, leads a team of scientists, including husband-and-wife duo Natalie Wood and Christopher Walken, in the search to perfect a 'Brainscan' electronic helmet. All you do is place this daunting headgear on and—Eureka!—with the help of the right cassette you can relive another person's experiences or even your own. Food, sex, travel, every variety of pleasure (or pain) can be vicariously enjoyed through the wonders of Brainscan.

But hold! Laboratory chief Cliff Robertson has to cope not only with his struggling band of whizz-kid whitecoats but with the U.S. military, who see a way to snaffle the discovery, classify it and use it for warlike ends. Will they succeed? Will the Docs allow them to? Will Miss Wood and Mr Walken have time to "relive" and perhaps revive their ailing marriage? Will Dr Fletcher's dicky heart last the course? Is there an experience "beyond death" that the telepathy cassettes could reveal?

Having been plagued not only by these questions but by an escalating budget and the real-life demise of Miss Wood, *Brainstorm* is a movie that displays its wounds Coriolanus-like upon its person. There are a handful of tremendous scenes, notably Dr Fletcher's self-recorded coronary which the actress plays to the hilt, gasping for life even as she harnesses science to her last seconds — and beyond. And the premise of pushbutton telepathy is a richly ingenious one; almost too rich for its own good, since it sends out plot tentacles lolloping madly in all directions.

But what finally defeats the film, despite the presence as director of Douglas Trumbull (special effects wizard on *2001*), is that visual and dramatic invention flag behind the story's proliferating promise. The muscling-in of the military becomes the crudest of conspiracy subplots, and ends in a slapstick *compote* of battle-torn laboratories and smashing glass and smoking wires. With Fletcher's death goes the only three-dimensional character: and Walken and Wood, whose marriage is skimpily sculptured from soap opera basics, don't have the weight to carry the finale, which is the experiencing of the "beyond death" tape.

'Visual and dramatic invention flag behind the story's promise'

The tape itself, furthermore—for which, as with the other telepathy set-pieces, the screen expands to 70-mm—proves a disappointing blast of visual silliness: consisting of shiny Yuletide balls afloat in a vast and pastel-coloured Outer Space. In *Brainstorm*, as in many Hollywood Sci-Fi films, to travel is better than to arrive, to explore far better than to discover.

★

In *Krull* it would have been best not to set out at all. "You will need more than men or the sword," quavers Freddie Jones, fruity of voice and trembling of whisker, "You will need the power of the *glaive*." And so this concussive quest epic begins, depicting the prolonged and battle-fraught attempt of Prince Colwyn (Ken Marshall) plus "glaive" (a kind of Mediaeval six-bladed frisbee) to reunite himself with his beloved Princess Lyssa (Lysette Anthony), after an army of unpleasant thugs called the "Slayers" have destroyed their two families.

The Slayers have dragged Princess L off to be the prisoner of a giant monster called Beast: though whether she is intended to be his dinner or his concubine is uncertain. Prince Colwyn, pausing only to conscript Mr Jones as a Merlin-Gandalf surrogate, sets out. En route he meets a Cyclops (Bernard Bresslaw), a merry band of ex-thieves and David Battley as a wandering yeoman ("I am Ergo the Magnificent") all of whom join the quest through arduous landscapes and worse dialogue to find and deliver the Princess.

This dreadful movie, bred out of *Star Wars* via *Hawk The Slayer*, proves that some parts of the film industry will never learn. Unrepentantly they will go on hurling themselves down the bottomless pit of their own derivativeness.

The film lacks suspense, wit or visual originality. (Pictorially it's knocked sideways by *Excalibur*, or even *Star Wars*). It lacks solid characters and imaginative actors (save the overworked and overwrought Mr Jones). And I defy the average film-goer not to shake in terror at the approach of each new weighty exchange in the mythic conversation stakes. "The Emerald Temple is in the Great Swamp, where three trees grow as one." (We never do discover about those three trees.) "Where does the Black Fortress rise?": "Tomorrow in the Iron Desert." If you go, take a large glaive and shake it threateningly at the screen.

★

There is no escape into gleaming sanity even with the week's final film. *The Lift* is a Dutch thriller about a lift. The lift in question operates in a large and sinister office block and has developed a mind of its own. It has graduated well beyond the normal foibles beloved of elevators, such as stopping three feet above the floor or crushing your umbrella between swiftly closing doors. This one decapitates beads, lures victims into fatal falls down the shaft, and whizzes up and down like a demented yoyo.

Whodunnit? Who is behind it all? Can our humble lift-mechanic hero (Huub Stapel) stop it? Greatest mystery of all: why has no one given up and started using the stairs? The denouement didn't make any sense to me, and the film is vilely dubbed into mid-Atlantic English, using no more than three discernibly different voices for a cast of 20-odd. But writer-director Dick Maas has bit on a bright idea, and in early scenes at least he dramatises it with some spooky vim.

Mother Goose/Shaw Theatre

Chris Dunkley

Alastair Muir

Gay Soper and Norman Rossington: Christmas bargain

Camden Borough Council's production of Mother Goose should really carry the Utility mark, that sign used during wartime shortages, to indicate government approval of plain, dependable goods produced in the public interest. Everybody from Norman Rossington in the title role to Kate Stone in the chorus works tremendously hard, but then they need to: they are each doing the work of two in most other pantomimes.

The chorus is just six strong, three boys and three girls; the "band" consists of Fiz Shapur on keyboards and Chris Baron on drums; and the plywood flats and wings which partially convert the Shaw's apron stage into the proscenium arrangement that a panto really needs, are unpainted.

Yet few of the essential elements of pantomime are missing. Like the writers of this year's National Theatre production, *Cinderella* (a tremendous hit with the public on the second night, incidentally), Mother Goose writer Myles Rudge has revived the Victorian prologue with Joyce Grant's attractive homely fairy godmother and Robert Austin's mesmeric demon king exchanging challenges.

Between that and the final walkdown there is the expected rapid succession of scenes: a song about Real Eel Stew with an eel that dances in the pot; a Feydeau-style bedroom sequence with everyone climbing in and out of the window, the chest and the wardrobe; a ballet in the enchanted wood, and, best of all, perhaps, a synchronised tap dance with the chorus dressed as penguins at the North Pole.

Rossington leads with zest and is helped in his sweet hurting stint and the community singing by Lucy Fenwick, who seems particularly powerfully possessed of the spirit of panto. Gay Soper's principal boy Jack wears itchy looking brown serge knickerbockers too long (in both senses) and one pities Kevin Hudson doubled up inside the actual goose.

The preponderantly juvenile audience at our performance would probably have preferred fewer songs and more slapstick: two minutes with soda siphons is really no substitute for a proper wallpapering or pastry-making scene, and for the Dame to take off one solitary corset seems downright mean. Still, with top price seats at £4 this must be one of London's best Christmas bargains.

Il Trovatore/Grand Theatre, Leeds

Arthur Jacobs

Usually the only distinction between the warring sides of *Il Trovatore* is that one is led by the baritone, one by the tenor. The achievement of this new production by Opera North, and the justification for updating the action to the 1930s and the Spanish Civil War is that the political basis of the plot acquires the force appropriate to Verdi's own concept of historical opera.

The updating is brilliantly realised in the staging by Andrei Serban with scenery by Michael Yeargan (both of them previously involved in similar re-thinking on behalf of the Welsh National Opera). Had this production been in English, the point would have been stronger still, especially in the long, static narration of the opening scene.

But whereas this company's previous departures from the English language have found small excuse in the choice of figures, this one is strongly cast. Of three overseas soloists making their British debut, Natalia Rom (from Leningrad via the U.S.A.) is a star. In "D'amour sull' all rosee," most sopranos are too obviously worried about negotiating the very difficult vocal line, but this was Leonora herself in a soliloquy of young, troubled love.

The Brazilian tenor Eduorda Alvares as Manrico sang strongly, if not subtly, and the American baritone James Dietsch as Luna was a persuasive villian — not like John Tranter as Ruiz, given to barking for emphatic effect.

I much admired Cynthia Buchan's Azucena — younger than the conventional crone but no less a creature of suffering intensely portrayed. ("Strana pietà!" was a particularly telling exclamation to her son.)

The company's choral forces responded splendidly to Mr Serban's direction, as well as to the able conducting of Yan Pascal Tortelier. The usual "Anvil Chorus" became a fiercely sung preparation for battle, with rifles clashed, and the trivial words delivered as if they had been adopted as a motto of liberty.

For this and all the other scenes, a single frame of a war-scarred building sufficed. Who would suppose it possible to get through *Il Trovatore* so swiftly and convincingly, with only a single interval?

The diversity of locations and lapses of time in the original did not seem to matter, and one could almost accept, in the stylised posing favoured by Mr Serban, even the usual absurdity of the heroine's mistaking the man she hates for the man she loves.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Friday December 23 1983

Confidence at Sellafield

BRITISH Nuclear Fuels has few friends just now, either inside or outside the nuclear industry. A system which was said to be fail-safe has failed, casting doubt on the integrity of all other claims by the nuclear industry, military as well as civil, that its systems are inherently fail-safe.

As a result, 25 miles of coastline close to the offending Windscale works at Sellafield in Cumbria are to remain closed to the public this Christmas. The government's watchdogs over public exposure to radiation say there is still some risk of finding flotsam contaminated with radio-activity flushed from the reprocessing plant during maintenance operations in mid-November, even though they have confidently declared local fish fit to eat.

The latest leak has occurred at a particularly inconvenient time for the government. It is defending against a determined opposition a policy of introducing several new nuclear weapons in Britain—Chevaline, Trident, cruise. It is conducting a public inquiry into the case for introducing a new type of nuclear station for Britain. It is opening local negotiations for repositories for nuclear wastes. It is trying to convince some trade unions that sea-dumping of certain nuclear wastes can do no harm now or far into the future.

The Windscale works stands at the heart of all these activities. It reprocesses spent fuel from the Magnox first-generation nuclear stations, an activity which must keep pace with the flow of fuel if BNFL is to avoid repetition of its serious troubles of the 1970s. These arise because the magnesium alloy encasing the fuel corrodes in storage, unlike fuel from newer types of reactor. It stores spent fuel from second-generation nuclear stations in Britain, Europe and Japan, for which it will start building next year a £1.2bn reprocessing plant.

The Windscale works also stores spent fuel for the Navy from a score of submarine reactors. It stores plutonium, separately, *for the military and* civil nuclear industries. It makes plutonium fuel for the fast breeder reactor in Scotland. It stores the deadliest form of nuclear waste — highly radioactive effluent.

In short, the Windscale works is an indispensable part of the nuclear industry, around which all but the medical aspects of nuclear technology revolve. It cannot be closed even temporarily without sending shock waves right through the industry. In the present climate of public opinion, it is unlikely that it can be replaced.

BNFL is trying to do the next best thing. It is virtually reconstructing an old factory which began life in explosives during the Second World War. It has a £2bn reconstruction programme in hand, the highlights of which are the new reprocessing plant, another £200m for a plant to vitrify high-level nuclear wastes for safer storage, and about £600m for other construction.

Friends and enemies alike have recognised the crucial importance of the Windscale works in government nuclear policies. Copeland Borough Council, normally well disposed towards the company as the major local employer, nevertheless withheld planning permission for much of the £2bn as a lever to try to persuade Whitehall to rebuild the A595 roast road through Cumbria.

Admitting mistakes

Opponents of nuclear energy have tried many ways of hampering the factory's operations and hence the viability of nuclear activities generally. For example, they have tried to prevent shipments of plutonium, to prevent spent fuel flowing freely by rail from nuclear stations, do prevent foreign spent fuel arriving at Barrow

In 1977 a public inquiry gave the go-ahead to the new reprocessing plant at Windscale after an exhaustive study of all the public interest issues involved, including health and safety. Yet no public inquiry, however satisfactory from the industry's point of view, can provide a final answer to the anxieties which continue to surround nuclear matters. BNFL, like other branches of the nuclear industry, has to go on demonstrating to the public that its procedures for dealing with *health and safety risks* are effective and that its management systems work properly.

The leak at Sellafield represents a severe setback for the nuclear industry, and one of its own making. A willingness to admit mistakes is a necessary part of rebuilding public confidence. However galling it may be to an industry which can be justifiably proud of its safety record, the process of responding to criticism and allaying anxities is a continuous one.

The quality of government

SIR DOUGLAS WASS began his BBC Reith lectures by saying that he thought that the essential requirements of a good system of government could be narrowed down to two ideas: efficiency and responsiveness. He ended by quoting John Morley, the politician and biographer of Gladstone, who wrote in his essay. On Compromise, over a century ago that the wise innovator was a man "who had learned how to seize the chance of a small improvement while working incessantly in the direction of greater ones."

Sir Douglas put forward few new ideas. Where he did, such as in his proposal for a standing Royal Commission which would investigate issues as it saw fit, he went off-beam. Yet the significance of his lectures lies less in the content than in the fact that they were given at all. Here was a former senior civil servant, only recently retired as head of the Treasury, admitting in public that the machinery of government in this country is greatly in need of reform.

Some of his thoughts were plainly based on recent experience: for example, the failure of the Civil Service to adapt quickly enough to the more radical approach of Mrs Thatcher when she became Prime Minister in 1979. Hence the stress on the need for responsiveness. There was also more than a touch of a reply to Sir John Hoskyns, the former adviser to Mrs Thatcher, who has argued that the Civil Service had become defeatist and bad therefore itself contributed to Britain's relative decline.

Analysis and review

The arguments, however, go wider than that. There have been repeated attempts at reforming the machinery of government over the past 20 years or so. The striking fact is how few of them seem to have worked and how many were abandoned when the political masters changed. The process of policy analysis and review, introduced when Mr Heath was Prime Minister as a means of examining whether policies were working in the way intended, was an excellent and non-party political reform in itself. But it was dropped by the next government. The "think tank" or Central Policy Review Staff has now gone altogether with nothing yet put in its place.

So the intention to reform, and the knowledge of the need for reform, have been there for a long time. But the instruments have not yet been found. In seeking them it is worth bearing one cardinal principle in mind: there must be some means of continually re-appraising government policies, not only for the sake of ministers but also, as far as possible, for the general public.

A large part of the responsibility for this lies with Parliament. The select committees of the House of Commons set up under Mrs Thatcher's first administration have not on the whole been notable for subjecting government policies to rigorous scrutiny. It is true that they need more staff, but it is up to Parliament to vote the funds for the advisers it needs.

As Sir Douglas noted, the select committees of the Lords often seem to take a longer view. There is no reason why there should not be joint committees of the Lords and Commons: their impact might be considerable. But only Parliament can set them up.

Parliament, however, is not quite enough. There is a need for an independent body of observers capable of standing up to ministers. Some of this task is carried out by the Civil Service but, as Sir Douglas admitted, that is not enough, either. Besides, most of the advice provided by the Civil Service is not accessible to the public.

To achieve the twin aims of greater efficiency and responsiveness it is necessary to have more open government and to make a virtue of it. Mrs Thatcher should stop complaining about the civil servants, who have performed no worse than the politicians. She should be thinking in terms of reinstating a "think tank" with a much more visible presence than its predecessors. The quality of government would be higher if the level of public debate were raised.

PROFILE OF LORD HANSON

Much more than a predator

By Duncan Campbell-Smith

FEW PLAYBOYS of the '50s jet-set have made it to the House of Lords. Fewer whiz-kids of the '60s City have become captains of British industry. James, now Lord Hanson has pulled off both feats — and become in the process one of the least public figures controlling a major international company in Britain today.

At 61, the chairman of Hanson Trust now moves largely unseen in the corporate jungle, as befits one most generally perceived as a dangerous predator. Only his rough whereabouts are from time to time betrayed by a sudden rustle of share prices on the stock market, and occasionally by the squawks of a fugitive species or two.

These squawks have been growing more frequent. Hanson is still best known to most people for his year-long engagement to Audrey Hepburn, called off all of 21 years ago; but today he controls the 25th biggest company in the country in terms of market capitalisation and a voracious appetite for other people's companies has fuelled much of its growth.

The appetite, it is fair to say, has grown with the eating. Every Monday, Hanson looks at the stock market's capitalisation ratings to check his company's position. The latest review might have found him more preoccupied with his maiden speech in the House of Lords—delivered in the cable TV debate last Monday afternoon—had not the ratings this week had an added interest: Hanson Trust eight days ago launched another bid battle, this time for London Brick. If it succeeds, the take-over will push the company nearer still to its chairman's goal: a place in the top ten UK companies before 1988.

The goal: a place in the top ten UK companies before 1988

Who is the man behind this ambition? And what has kept him on target so ruthlessly through the 20 years of his group's existence? Hanson's family background before 1964 helps with the first answer, and the corporate story since then offers plenty of clues to the second.

Neither school nor seven years of war service in the army brought much out of Hanson that he *is* now prepared to talk about, but the enforced delay in getting on with life must have left him a frustrated 26-year-old—even today the idea of picking eight desert island discs strikes him as a little bizarre since he "can't visualise being on that island long enough to listen to all eight."

In other respects, though, Hanson's upbringing left him better equipped. The son of a wealthy Yorkshire entrepreneur, he was groomed from the start to run his own business. The nationalisation of his father's road haulage operation for £3m in 1948 left him with some capital and the incentive to start out. He and his younger brother Bill built a base first in Canada, later expanding back into Yorkshire, each of them spending five months a year in North America —a practice which Hanson has never given up.

His family background offered Hanson rather more than just money and self-confidence. His father, Bob Hanson, had himself inherited a Victorian family haulage business and with it a deep love of horses.

In 1951, television was about to turn show-jumping into mass entertainment. Bob Hanson began to buy horses for young British riders—including his own son, Bill—in a determined effort to put Britain at the top of an already increasingly popular sport.

Dorian Williams, the BBC's show-jumping commentator from the early 50s, became a close friend of the family. "There was no-one in those early years of the sport to equal Bob Hanson in his generosity as a patron." remembers Williams. "—and it provided the whole family with a ready door to the horse world and all the people associated with it."

The young Hanson glided elegantly through that door, into fashionable society — and straight into the gossip columns of the 1950s. Tall and strikingly handsome, he was photographed with a succession of beautiful women companions. More important than any of them, however, was Hanson's friendship with another Yorkshire lad about town, *called* Gordon White.

The two men went into a new business venture together — importing U.S. greeting cards — in the late 1950s. It prospered and they decided in 1964 to develop a publicly quoted company, already under the Hanson family wing, into an industrial holding company. Hanson in the intervening years had married and sold the Canadian part of his family business. The holding company, Hanson Trust as it was later renamed, now became his consuming interest. And it has remained so ever since.

Nearly 20 years on, Hanson's life still revolves almost exclusively around his family and his company. A peripatetic existence is based on two homes in the UK and two in the U.S. —but no yachts off the Riviera, they went years ago — and relies heavily on a daunting personal *organisation*: he has nine or ten secretaries ("I can't keep count"). He rises at 6 am spends an hour with the newspapers and usually works an office day from 8 am to about 6 pm.

Money is seen as "an important yardstick of one's success," but the real motive is his fascination with corporate power: making businesses work and winning his peers' respect. Ask Hanson if he is religious and he will talk about the Church of England's need for better management.

AS HANSON TRUST goes into its 20th year, it has a market capitalisation just over £1bn, with sales in the year to September of £1.48bn, and 50,000 employees—about half of them in the U.S. and most of the rest in the UK.

Fourteen manufacturing divisions similarly straddle the Atlantic, concentrated *in high volume, low technology* industries. An extensive product range includes such household names as Ever Ready batteries, Butterley bricks, Ames *garden tools, Smith* meters, *Berry Magicoal gas fires, Lehigh* safety shoes and Crabtree electrical accessories.

Hanson Trust is almost the sole focus of this fascination and he seems as unlikely now as ever to be distracted. He has very few non-executive directorships elsewhere and does not intend to change his basic routine much now that he is in the House of Lords — though discovering the ways of the House has clearly made a deep impression on him.

The apparent contrast between all this and the playboy image of the past is largely superficial. It is striking how many legacies of his early background are with him still.

Three in particular stand out. Hanson was very close to his father and has taken to his ways. He is naturally assertive — whenever Hanson's helicopter approaches Heathrow, it is the chairman rather than his pilot that the air-traffic controllers find speaking to them — but in his private life he is surprisingly reserved.

Close friendships have developed over the years with a select *few—Lord King, for* example, who is godfather to one of his own two sons — but Hanson keeps a careful distance between himself and most others.

As a businessman, he still practises the lessons learnt for the most part from his successful development of the family haulage business. Details wherever possible are delegated to others and it is a cardinal rule of Hanson's management that initiative should be rewarded with additional responsibility.

Critics of Hanson Trust's rapid growth often cast doubt on its chairman's ability to expand a business organically. While this probably underestimates his record in the haulage industry, it also misses the point of Hanson's guiding philosophy: to let *others manage where they* can, while he concentrates on strategy.

He has adhered to this philosophy with a striking consistency. *In the words of Gwyn* Ward Thomas, chairman of Trident and a close associate of *Hanson's*: "He has gone on putting noughts on the end of his preoccupations, but they are the same preoccupations today as they ever were."

But the third and most important legacy of those early years remains Hanson's partnership with Gordon, now Sir Gordon, White.

Hanson's younger brother Bill *died* of cancer in 1954. White took his place and the two men have worked together ever since, "more like twins than brothers" in Hanson's phrase. Both men speak of a positively telepathic relationship—"we sometimes turn up wearing the same ties"—and their teamwork has undeniably given Hanson Trust a formidable cohesion. White now runs the group's extensive interests in the U.S. but they talk together on the telephone every day.

In fact only a legal technicality in the '60s *stopped the* partners calling their company Hanson White. But Hanson Trust it became and Hanson's own style it is which most colours the group's image, in the UK anyway, whenever it is most exposed to the public eye —whenever, that is, it hits the take-over trail.

Here again the record points to a striking consistency. Hanson's caution through the years belies the standard image of a man born with a silver spoon in his mouth. "I've always thought about the downside risk on a take-over rather than the upside potential—we don't gamble."

In 1974, according to White, this even led Hanson Trust to turn down the chance of buying 51 per cent of Avis, the giant U.S. car hire business, for a mere $17m cash payment. "I told him it could put us straight in the big league but that if it went wrong it would bust us," says White; "we didn't have to talk about it very long."

In public *take-over* battles, the caution has meant a notoriously parsimonious approach to bid prices. But it has also gone hand in hand with a determined acquisitiveness. This has generally deterred companies from accepting the friendly initial overture extended by Hanson to many of his subsequent victims. Most believe that a very long spoon indeed would be needed to sup with this particular partner.

Hanson's response to a rebuff in these circumstances can certainly be bruising. It is not hard to find past adversaries who think him vindictive and even on occasion ill-mannered.

Hanson himself accepts that such acrimony is sometimes going to be inevitable—"though it does seem a pity to me that more directors don't think a bit more about their shareholders and a little bit less about their own jobs"—but it *would certainly be wrong to* assume that time and success have made his style more aggressive.

Rather the contrary. A formative influence in the 70s was probably his involvement with the television industry, as *chairman of Yorkshire* Television. To quote Ward Thomas again: "James is a fast learner. *The constant exposure to a* heavily regulated business environment quickly taught him *how to tiptoe* through the political tulips rather more carefully than he'd perhaps needed *to before.*" And Hanson himself is disarmingly frank about his preferred business tactics—"there's so much more to be gained with honey, so much more."

An undoubted feature of the hostility of many boardrooms to any idea of partnership with Hanson is the widespread mistrust, already referred to, of the holding company's strategy for growth. Its most immediate implication for the top executives of target companies is that they cannot hope for a place on the Hanson Trust board as a consolation for being taken over.

Hanson castigates this attitude *as a* widespread weakness of British management, not found in the U.S. It has been a principle at Hanson Trust, learned by White and Hanson in its very early days, that divisional managers should remain with their subsidiary boards, leaving the holding board to be run by directors with specific holding company responsibilities.

An extraordinarily low turnover rate among executive staff

Nothing in the company's record to date suggests that this principle needs revising. Indeed, a glowing tribute to its success is the extraordinarily low turnover rate amongst Hanson's executive staff at every level. The resulting continuity of management is the basis of Hanson's own professed confidence in his ability to avoid any eventual problem over his *own succession.*

It is not a problem likely to cause him any real worry for some time yet. All the clues to his successful record to date—his ability to pick the right associates, his powers of delegation, his ruthlessness and his *persistent application* of an effective management formula —pale beside the plain fact of *the man's single* minded obsession with his business: Hanson Trust without Hanson, he might be happy to admit, is only slightly harder to envisage than Hanson without his company.

Men & Matters

City bound

Since Michael Ashcroft, aged 37, bought the ailing Hawley Goodball company in 1978 and set about creating the Hawley group, speculation about his business philosophy has occupied much newsprint. Such excursions as a stake in Miss World, a *link-up* with Lotus cars and an amusement machines business, have given him a racy image.

Now Ashcroft may be thinking about buying himself a bowler hat. His latest deal takes Hawley into stockbroking with a limited partnership in the five-partner Midlands brokers Fyshe, Horton, Finney and company and a 29.9 per cent share in profits.

Ashcroft sees it as opening a possible avenue for the sale of Hawley's corporate finance services. But he adds: "Nobody really knows how things are going to break in that market sector. And it will be easier to be on the course than on the sidelines."

Some of Ashcroft's investment money will go towards opening a London office of Fyshe, Horton, Finney. I am assured that no time will be lost seeing through that expansion.

Why did Ashcroft look to Birmingham to secure a stockbroking interest to add another piece to the jigsaw of the financial services business he is trying to put together?

The Hawley side say they had the choice of starting a new broking firm, taking a stake in a big London firm, or buying into a smaller outfit with potential. They opted for the third course.

There is also a historical link. Fyshe, Horton, Finney floated the Hawley family business 30 years ago and has had a business connection with Ashcroft since he acquired it.

With Hawley *interests now* split evenly between Britain and the U.S. and activities centred upon three main areas — security services, "Janitorial maintenance," and home improvements — Ashcroft is keen that the group should be accorded more weight in the business world.

Two London stockbroking *firms* agree with him. They have forecast that Hawley's 1983 pre-tax profits will exceed £13m against £5.4m in 1982.

"You've got a damn nerve coming round singing about a poor man gathering winter fuel at a time like this"

War of the words

Canadian Prime Minister Pierre Trudeau's efforts to reduce East-West tensions seem to be putting some strains on his relations with the U.S. government.

Though President Reagan has wished him "Godspeed" to his campaign, Trudeau's initiative has provoked sneers from Pentagon *and State Department* officials.

Lawrence Eagleburger, U.S. Under-Secretary for political affairs, is alleged to have compared Trudeau's efforts, in comments at a private dinner, to the marijuana-induced efforts of an "erratic leftist."

Some of those present say he did try to soften the slur by adding that perhaps "even conservatives could behave like pot-smokers."

Trudeau promptly fired back that he would not be deterred by the comments of a "Pentagon pipsqueak."

Wardley's hand

Wardley London, the merchant bank known until last month as Antony Gibbs, seems to have spent more time shuffling than dealing in the three and a half years since it was taken over by Hongkong and Shanghai Banking Corporation.

This week, Ewan Launder, Wardley London's acting chief executive, announced that he plans to leave the Hongkong bank group altogether next March to start his own business. His successor will be the London unit's fourth chief executive in as many years, a period which has also seen the chairmanship change hands twice.

Launder has completed the corporate surgery for which he was seconded to London in August from the chief executive's desk at Wardley Hongkong. He has hired and fired, bringing in "younger, more aggressive people" who, he says, have reduced the average staff age by 15 years.

He has taken Wardley London into new offices under a new name—"an important psychological change" — and overseen the channelling-in of £22m of new funds from the Hong Kong parent, raising Wardley London's capital base to £40m.

The result, says Launder, is "virtually a completely new company." Profits this year are likely to be down on last year's £3.5m, but expected to be sharply higher next year.

A head-hunt is now on for Launder's permanent successor. "Drive, character and a sense of humour," are Launder's criteria, probably 40-ish, perhaps from outside the merchant banking mainstream, but probably not a Wall Street whizz-kid. "We can't afford them," he says.

Launder's own decision to leave the group rather than return to home base is motivated, he says, by the many niches which he sees for an entrepreneurially-minded financier in the European financial markets.

It may also be, though Launder politely ducks the question, that there are no more rungs left on the Hongkong bank's career ladder, with William Purves now heir-apparent to group chairman, Michael Sandberg.

John Bond takes over from Launder as chief executive of Wardley Hongkong, inheriting a bank badly bruised by loans to companies, including Carrian, in the Hong Kong property boom-and-bust.

Short time

After my note last week about the Swiss restaurants which have introduced an element of danger into expense-account entertaining by logging the time taken over a meal and the intervals between drinks, I discover the *insidious* practice has reached London.

A colleague dining in the chi-chi Bombay Brasserie found that his bill recorded that between 8.24 pm and 9.03 pm, he had consumed two coffee and two drink (sic) and by 9.23 he had downed another two Kingfisher (sic), an Indian beer.

He says he needed another stiff drink to get over the shock.

Observer

FOREIGN AFFAIRS: ARMS CONTROL

The bravado is only skin deep

By Ian Davidson

IN THE past few weeks, Western government spokesmen have been putting the bravest possible fece on the Euro-missile shambles. They are sorry, of course, that no agreement emerged in the Euro-missile negotiations in Geneva, and eorrier that the Russians beve walked ont of these negotiations. But the bottom line, they say, is that the Soviet propaganda effort so to frighten Western Europe that it would refuse the new U.S. weapons, bas suffered e humiliating defeat. In the absence of an East-West agreement, the missiles are being deployed on schedule. Nato has stood firm.

Such bravado is at best only skin deep. It is true that the peace movements have not prevented the arrival of the first cruise and Pershing II missiles, *but there is* no evidence that they have accepted defeat in principle. Complete deployment will be spread over five years, and the peace movements may have more success in future than they have had eo far, either to prevent further deployments or to hinder routine training dispersals of the cruise missile convoys. The governments which have stood by Nato policy for the first deployments may still be in power when the last deployments come along in 1988; but then again, they may not.

Until a few months ago, the conventional wisdom in Washington was that the Soviet Union would not start negotiating seriously until it was certain that the Nato deployments would go ahead. So long as the Russians hoped to scoop the pool by their propaganda pressure, they would see no point in real negotiations with the Americans. Therefore, negotiations could not be expected to start until December 1983.

This argument is no longer being rehearsed with mnch confidence. The Russians have walked ont of the Euro-missile talks, and no one knows if they will return in a month, in a year, or ever. They have also adjourned the strategic nuclear weapons talks in Geneva, and refused to set a date for a new round of conventional arms negotiations in Vienna. There is the greatest uncertainty whether, in what form, and under what conditions, any of these negotiations will be resumed.

The Soviet walkout from the Euro-missile talks may have been a major gaffe. Over the past year, the Russians have steadily redneed the number of SS-20 missiles that they would want to retain in Europe, from 162 to 120. Each of these offers was unacceptable, because in every case the counterpart demanded was zero U.S. missile deployment. But if the Soviet Union had reduced its demands still further, to under 100 missiles, European pressure for an agreement might have become a lot stronger, even if it meant no U.S. deployments.

The trouble is that we have all been setting much too much store by these arms control negotiations. Even if they were to be successful, they would not necessarily solve any of our most serious problems; and with hindsight, there is a case for saying that each one of these three negotiations was *likely* to fail, even if it was not inexorably doomed to failure.

The failure of the conventional arms talks in Vienna and the Euro-missile talks in Geneva is most easily rationalised and for very similar reasons. In both cases, the Soviet Union started with a very substantial advantage on the ground; in both cases, an agreement enshrining equality would have required disproportionate reductions by the Soviet Union; in both cases, the Soviet Union blocked negotiations by denying the facts, and claiming that forces in place were already equal.

The case of the Strategic Arms Rednction Talks (Start) in Geneva is more intriguing, because it looked in principle as if these talks ought to have had a reasonable chance of success. There seems no doubt that Moscow was disappointed by Washington's last-minute rejection of the second Strategic Arms Limitation Treaty (Salt), in the wake of the Soviet invasion of Afghanistan, and could have been expected to be interested in a resuscitation of the mutual control of strategic nuclear weapons.

Moreover, the perceptions of the two super powers appeared to have important elements in common, both on the starting point and on the finishing point of these negotiations. In contrast with the large inequalities of the Euro-missile and conventional forces, Washington and Moscow had previously negotiated, and were still broadly observing, the rough parity enshrined in the unratified

Peace demonstrators lobby Mr Yuli Kvitsinsky, Soviet representative at the Geneva Euro-missile talks

Salt II treaty. In addition, they were both talking about large reductions in their strategic nuclear forces.

But it is obvious that a large reduction in some category of military force is the most ambitious target an arms controller can aim at; and it is arguable that such an ambition would inevitably have proved incompatible, if not with the rigid ideological convictions of Moscow and Washington, at least with the frosty state of relations between them.

The difficulty with deep cuts is that they cannot be implemented instantly, because the two sides will, at any given moment, be at different phases of their modernisation cycle. In addition, the deep cuts proposed by the U.S., for a one-third reduction in the number of ballistic missile warheeds, of which only balf could be on land-based missiles, would have involved quite significant changes in the structure of the two arsenals, especially that of the Soviet Union.

Any deep cuts agreement, therefore, was bound to be phased over a long period, perhaps 10 years or more, to coincide with the modernisation cycle and to ease the strain of changing force structures. But such an arms control agreement would be tantamount in practice to an agreement on future force planning. By implication, the two sides would need to agree on the underlying criteria for etable nuclear deterrence.

It is difficult to imagine either of the superpowers submitting their future force planning to negotiation with the other. It is virtually impossible to imagine such a thing at a time when the general state of relations between Washington and Moscow is so *full* of suspicion and hostility.

The error we heve all been making bas been to invest too many of our bopes in the arms control process. Perhaps it has been an understandeble error, given that the Geneva negotiations have sometimes seemed the main, if not the only, channel of continnous communication between the super-powers. The first Salt agreement and the Anti-Ballistic Missile (ABM) treaty of 1972 seemed to symbolise the penultimate gasp of the Nixon-Brezhnev detente; so perhaps a new arms agreement might inaugurate a safer and a warmer phase in international relations.

This must be a case of the cart before the horse. Arms control can in any case not be counted on, by itself, to make very much difference to the real *world, though it could well have* an impact on the emotional appeal of the anti-nuclear movements; whet killed off CND the first time round was the Limited Test Ban Treaty of 1963. But whatever the utility of erms control, it can only follow, not precede, the establishment of a reasonable level of dialogue between the super-powers.

Whether the establishment of such e dialogue is possible between now and the U.S. presidential election is a moot point. In recent weeks, Washington has toned down its denunciations of the Soviet Union, bnt there is no reason to suppose that Ronald Reagan has abandoned his deep and long-standing hostility. It is at least possible that the frost will continue until after the U.S. election.

The paradox is that the two super-powers may be unable to remedy the situation. The illness of Yuri Andropov and the prospect of another succession struggle must be seriously hampering the policy-making processes in Moscow. In any case, it is hard to see what Moscow could do which would be likely to bave any effect on Ronald Reagan's basic attitudes.

The two super-powers have long had a lot in common—starting with their super power. In the past, Europe has been forced, and despite some tense moments has been able, to rely on the pragmatism of America to cobble together a mixture of firmness with subtlety in handling the destabilising ambitions of the Soviet regime. It has long been an American gibe that the Soviet Union's only dimension of strength has been its military power. But now, under Ronald Reagan, Washington has come to mirror the militarism and ideological rigidity of Moscow. To suppose that Reagan's Washington will find a way out of the present crisis requires a beroic effort of optimism, and it is perhaps an effort we *should* not repose any faith in.

It is all the more striking, therefore, that the recent Nato meeting issued a strongly conciliatory declaration underlining its desire for detente and cooperation. That has long been the aspiration of most West European countries; and if anything can be done to improve the international climate, the odds are that it can only be done by the concerted efforts of the Europeans.

Unemployment in Britain

'God save us if we just stand back'

By Ian Hamilton Fazey in Liverpool

AN ANGUISHED look comes into the eyes of Archbishop Derek Worlock as be sits in his study not far from the buge modern Catholic cathedral in Liverpool.

"People in my bome county of Hampshire complain ebout my 'obeession' with the unemployed. But down there you have really got to go and search to find people who have been without jobs for a long time. Up bere, yon can't go anywbere withont falling over them," he says.

Like the Bishop of Liverpool, David Sbeppard—his opposite nnmber in the Church of England, and wbo is to give next year's BBC Dimbleby lecture on poverty and unemployment in Britain — Archbishop Worlock is hoping that Christmas may make the political, economic, financial and corporate decision-makers of Britain et least think again about what life is like for the unemployed.

The Bishop'e fear, however, that this may well require too great a leap of imagination for many in the South, South East and the City of London.

"In the well-off parts of the country there is a total failure to understand the situation in the North East. Because unemployment is so different elsewhere there is little appreciation of its effects, of the sense of bopelessness that comes to a community when it is so widespread and long-term," says Archbishop Worlock.

"We have many parishes where a third of the men I see on a Sunday have not had a job for several years. It's desperately demoralising and it could destroy the hope of the young. The youth training scheme may provide a launching pad, but it's what comes afterwards—and what they see has happened to their fathers—that really saps the spirit."

Bishop Sheppard sees it as inevitable that many of Britain's decision-makers cannot imagine how bad things are for many of his flock. He says: "When you look at some of our leaders, at big investors and the people who operate the money market, I find myself asking who do they talk to except people from a similar background and experience?

"When I was Bishop of Woolwich, part of my patch was East Surrey down to the Sussex border. I was very well aware that people wbo lived in those beautiful villages would travel up to work on the train with people they went to school with, and just talk about the affairs of the country with other people with the same limited experience.

"They need to accept that other people may have a set of values quite *different* from theirs. They may value family and community links more *highly than the decision-makers* who believe in the mobility of labour and who live in careers, not places.

"Not moving South to find work is often not a question of lack of intelligence or ability, but of values."

In fact, there is a net migration from the North West. Merseyside, for instance, is

The decision makers cannot imagine how bad things are

losing people et a rate of 15,000 a year. But that both relieves and exacerbates the problem. Relief comee to the people who go to find work, but these tend to be the more *self-confident* of the unemployed.

"And they don't take their grannies with them," Bishop Sheppard says, "or anyone else who is going to be long term dependent. If this goes on, we shall bave a substantial community of the left-behind. And although it sounds like a lot of people are leaving, there are still 1.5m people on Merseyside.

"God save us if we just stand back and say: 'Well this is the natural process of things.' If you create a sort of welfare benefit community in the North West because the more self-confident have gone, and because you've not invested there with companies and jobs, we must not be surprised if the country becomes increasingly more bitterly divided than it is now."

"How unemployment should be reduced is not a narrow subject on which economists alone are competent to have opinions," says Bisbop Sbeppard. "Value judgments bave to be made about the effects of different policies. It seems to me to be a proper question to press and press again as to what should a responsible country do."

It is unrealistic to expect either Bishop not to take sides in tbe unemployment debate, though they stress they have never acted in a purely party political sense. Bishop Sheppard is chairman of the area Manpower *Board* of tbe Manpower Services Commission, and bis strong views are partly the result of what he has learned in this position; Archbishop Worlock notes ironically that be *is* tbe son of a Conservative Party agent.

Bishop Sheppard strongly rejects the idea that enlightened self-interest and enlightened capital will sort matters out.

In the most recent closure case on Merseyside, United Biscuits displayed a social conscience and the work force was co-operabve. But despite all that, management bad to act in the company's long term interests, and reduce over-capacity by closing the Liverpool factory four weeks ago.

"One is bound to ask," says Bishop Sheppard "whether individual companies ectually *have* the *ability* to make this kind of decision. I believe that governments could—and should—intervene much more than this one is prepared to do.

"That does mean bolding back companies from developing in more fevoured areas until they are developing where the needs are greatest. If I am wrong, then I throw back a very herd challenge to the free market. Where are the investors? Where is responsible investment? What are the pensions funds doing? Are they just making the largest amounts of money wherever they can?"

Archbishop Worlock says "If the nation as a wbole sees one part of the country suffering from the results of market movements and technological revolution, there is a moral obligation to direct new development into the areas that are most damaged."

Letters to the Editor

Amounts of foreign material on UK cable TV

From the Chairman, British Cable Programmes

Sir,—Your report (December 20) of the demand by Lord Hill and a number of Labour peers that there should be a fixed percentage limit on the amount of foreign material to be permitted on UK cable TV indicates that they have not, perhaps, fully grasped the determining factors in financial success of cable TV.

If the operators who have in various ways to try to fill between 15 and 24 additional channels, bave to pay an average price of more than 25p per eubscriber per channel per month for bought-in material, they will find it very hard to survive financially.

British programme makers, strange as it may seem, are eager to compete within such a context without the protection, of a specific foreign content quota. In order to supply cable operators at a price they can afford, we in turn have to be able to produce our programmes at an average price of approximately £5,000 per bour of original material. The trades unions involved have been encouragingly swift to recognise that this means in all probability rates paid to their members which are not as high as those paid in broadcast TV with its much larger audiences. In a competitive climate where cable operators are free to purchase material abroad, particularly in the early years of cable, such a common sense attitude is likely to prevail. I know of no Britisb cable programme maker who would not cease his activities at once if broadcast levels of payment were to be imposed through a quota on the cable industry.

I believe, for example, that the fact thet British Cable Programmes Arts Channel has already been included in the schedules of a number of the new franchise holdere and is being negotiated with all of them, is an indication that the cable operators are more than willing both to include British material wherever possible, and to offer to minorities programmes of intrinsic merit.

John C. Griffiths,
41 Whitehall, SW1.

Causes for complaint

From Mr A. Sibley

Sir,—What disgusts me almost as much as the Harrods outrage is this argument "of course yon must remember thet the Irish had a raw deal."

Maybe they bave, but the world is full of people who bave great and genuine causes for complaint (not to mention those with imaginary grudges). If everyone with e grievance gave vent to it in IRA style there would a bomb not just outside Harrods, but in every street. What excuse can nationalists offer for their habit of setting record lows in standards of behaviour?

Angus Sibley.
142, Chatsworth Court, Pembroke Road, W8.

The 'phone-in programmes

From Mr N. Tomalin

Sir,—Mr B. A. Young has only scratched the surface of the "pbone-in" in his article of December 17. In addition to the programme he discusses we have "You and Yours" at midday five days a week encouraging listeners to telepbone their comments. Also "Tuesday Call," on Tuesday mornings, when listeners are invited to hear vague answers to fatuous questions.

I am convinced that all this "phoning in" is a result of collusion between the BBC and BT. The former gets programme material (of a sort) free of charge while the latter derives revenue from calls (long *distance*) made at peak hours.

N. A. Tomalin,
Highfield,
Gussage All Saints,
Wimborne,
Dorset.

Reform of the London Stock Exchange

From the Research Partner, Heseltine Moss and Co.

Sir,—I read with interest John Plender's article (December 21) on the risk of being too radical in the reform of the London Stock Exchange. He makes some very relevant points, particularly with regard to the disasters that were caused by competition and credit control policies in 1974. It is refreshing that someone is prepared to risk being labelled a reactionary *when* counselling a degree of caution in the current enthusiasm for change.

The real reform needed in the London Stock Exchange is the redressing of the balance of power between the institutions and the private client. It is well known that institutions now own over 75 per cent of all equities and this total is rising all the time. The abolition of fixed commissions will be yet another nail in the coffin of the private investor as his costs of dealing will rise while the institutions will succeed in negotiating mnch lower rates.

These are a few of the advantages that institutions enjoy over private clients: (i) life assurance companies can offer generous tax relief to savers investing in the market via them, while direct investors get none. Why? (*ii*) overseas institutions pay 1 per cent stamp dnty while UK privete clients pay 2 per cent stamp duty. Why? (iii) UK institutions can escape stamp duty altogether by dealing in ADRs (such as ICI or Glaxo) in New York. Why? (iv) unit trusts can switch holdings within their portfolios without attracting capital gains tax, whereas every time eny individual switches he is liable for tax. Why?

I would suggest that the reason for these discriminations is that successive governments have found it distasteful to allow individuals to make money via the stock market. They prefer institutions to do so, regarding them as "savers." Ironically this has led to the polarisation of investment power in the hands of 200 major institutions, with very damaging consequences—the fiasco of dawn raids and control of wbole companies being traded in a few hours. Note elso the one-way nature of markets as most institutions tend to take a similar view, which can be very dangerous—as in 1974.

I would suggest that the other important reform necessary is simplicity. In my experience private individuals are deterred from investing by the plethora of rules, in particular the intricacies of capital gains tax indexation, the complications of the business expansion scheme—which again unfortunately is being polarised into approved funds, and the scandal of 2 per cent stamp duty. They accordingly choose the simpler options of unit trusts or life policies in many cases.

M. A. Ingram.
Lawrence House,
3-4, Trump Street, EC2.

Thinking on his feet

From the General Secretary, Musicians' Union.

Sir,—In his otherwise clear and fair summary (December 15) of our discussion on the NGA issue, John Lloyd refers to my "desertion of the left posture." I try not to "posture" to either side since it is easier to think clearly if you stand npright. In that position I can see the need to support the NGA to the fullest practicable extent.

John Morton,
60-62, Clapham Road, SW9.

Attitudes to pensions

From Mr T. Shucksmith.

Sir,—Mr Watts (December 10, 1983) incidly explains his company's attitude as an employer to pension contributions designed to benefit employees who stay to retirement and not early leavers. On what basis does bis company claim corporation tax relief on the company's contributions? Presumably, be claims as an expense of management, because the members' prospective rights under the pension scheme are part of the consideration for their labour. Can it be denied that they represent deferred pay? Perhaps, bowever, be claims stock relief on stocks of human labour!

The general body of taxpayers in allowing tax relief on the companies' contribntions effectively supplements the net cost to most companies by about 100 per cent. Is it not reasonable that all tax payers should have e say through the political mechanism in the conditions appropriate to this measure of support?

I do, however, feel that Mr Watts should be allowed to pursue his capitalistic principles on the basis of no corporate or trust tax relief until relevant benefits are granted. If one pays tax, it is one's own money and one should be able to spend it or accumulate it as one wishes.

T. S. Shucksmith.
3 Quorry Hill Pork,
Gotton Road, Reigate,
Surrey.

FINANCIAL TIMES

Friday December 23 1983

U.S. steel town looks forward to a modest recovery

Star of hope shines over Bethlehem

BY NANCY DUNNE IN BETHLEHEM, PENNSYLVANIA

ON CLEAR December evenings, the gigantic Plexiglass star on the top of South Mountain is visible for 20 miles across the Lehigh Valley in Pennsylvania. When Bethlehem, which lies below, is blanketed with snow, the whole town shimmers in the reflected glow of the star, along with the white lights on 800 Christmas trees in the streets and the white candles in almost every window.

While the vista lacks shepherds and their flocks, the scene is still picture-postcard perfect. With its renovated Victorian main street and turn-of-the-century terraced houses, Bethlehem is clean and charming, a draw for thousands of tourists at Christmas time.

The star of hope holds special significance this year. For although it is so pretty, Bethlehem is basically a steel town. Bethlehem Steel, the nation's second largest producer, has works that run for 4½ miles along the edge of the town. Last December the town was deeply depressed; the unthinkable occurred, and the steelworks, which once directly or indirectly employed almost everyone in the town, closed for 10 days.

"Christmas was dismal," remembers Mr William Hutchinson, assistant superintendent of the plant's basic oxygen furnace. December's production dropped to 67,000 tonnes, half that of the company's worst previous month, 11 years before. It was a fitting conclusion to one of the most trying years in Bethlehem's history. Shipments were the lowest for over 35 years: the company sustained a $498m operating loss and incurred a $1bn charge against income for restructuring operations.

To compete with the lower prices of foreign producers, the Bethlehem plant has been modernised and computerised. The crews move like spectres through the din on the charging floor, dwarfed by the basic oxygen furnace. The work is highly technical, but it calls for physical endurance. The cavernous plant is hot in summer and cold in winter.

Mr Hutchinson says he spends much of his time "star-gazing ... trying to figure how to make the best quality steel at the lowest possible price." He is convinced that his Japanese competitors are dumping steel in the U.S. at bargain prices.

Although Bethlehem Steel has drastically cut its workforce – 10,000 are employed and about 2,500 are on temporary layoff – the town's unemployment level has actually dropped to about 13.5 per cent, according to the mayor's office, because the town's other industries have been taking on workers.

Steel's comeback is just beginning. "We are calling pockets of people back," says Mr Hutchinson. Christmas looked brighter for the people last week who were called back, some for training related to new computer systems.

City officials acknowledge that steel will never be what it was in their town of 70,000, but the area has been diversifying for years to mitigate the effects of cyclical steel downturns. Lehigh Valley, with its highly trained workforce, has been able to attract producers of industrial equipment, electronic components, textiles, chemical and mineral processing equipment and food.

The thousands of unemployed people who once worked in steel and related industries are tending to take over the minimum-wage or entry-level jobs traditionally held by the city's working poor. The poor themselves are forced to rely for survival on crime, soup kitchen food and dossing down under bridges and in abandoned houses.

About 10 per cent of Bethlehem's people, many of them Puerto Ricans drawn to the town to work in the textile industry, are living in real poverty, according to Mrs Susan Cox, a community worker. In four public housing developments in the north-east section of the town, hundreds of men are living illegally, she says.

The authorities have resisted establishing temporary shelters because they are afraid of attracting rowdy outsiders. Several volunteer agencies supply free groceries to the needy, and Mrs Cox says the number of people fed lunches at two soup kitchens she runs has "mushroomed" to about 240 every day.

It will be a bleak Christmas for "the Chief," a Cherokee Indian who spent 37 years as an iron worker and who has been unemployed for five weeks. Reminiscing at a local tavern, he praised the people of Bethlehem for "learning to live without steel."

It used to be that if you did not work for Bethlehem Steel you had no real job. "You were delivering groceries," he said. The Chief sounded a decided note of pessimism about 1984. "I do not think this economy will ever improve as long as there is a Republican President in there," he said, asserting that 90 per cent of the valley would vote against Mr Reagan.

The working people of the valley stick together, he said. They take collections for those who have lost their homes through foreclosure on mortgages and provide for them until they get into public housing. "I am 60 years old, and I have worked and travelled from Maine to Florida. I settled here because I believed in the people; they are good people."

Christmas 1983 is looking brighter for Bethlehem after closing or selling a number of operations and reducing production capacity by 20 per cent. The steelworks is expecting a slight improvement this year and modest recovery in 1984.

Optimism has filtered into the town, where retail sales are brisk, and officials are hoping to reap a modest return from tourism. More than 350 chartered buses are expected for Christmas and the elegantly renovated Hotel Bethlehem, a subsidiary of the steel company, is housing 5,000 tourists this month, up from 900 last December.

But for all the optimism and the signs of recovery nationally in the U.S., the start of hope is still shining very unevenly on the people of Bethlehem.

U.S. Steel to consider extensive restructuring

BY PAUL TAYLOR IN NEW YORK

THE BOARD of U.S. Steel, the largest U.S. steelmaker, will meet on Tuesday to consider, and probably vote on, a radical restructuring plan that might involve a heavy cut in its basic steelmaking capacity.

The plant closures are designed to streamline operations, cut unprofitable product lines and meet the target of returning to profitability next year. Five plants might be affected. Such a move would cut the group's basic steelmaking capacity by about a third, or 10m tons, and result in the loss of another 5,000 steel-industry jobs.

The restructuring might also result in the steel group's taking a $1bn-plus fourth-quarter charge – one of the largest ever in the troubled U.S. steel industry.

U.S. Steel confirmed yesterday that the agenda for next week's board meeting would include a plan involving a significant restructuring of its steel operations, but it emphasised that no decisions had yet been made on possible plant closures.

There has been widespread speculation about which plants could be closed as part of U.S. Steel's "get tough" strategy, under the direction of the steelmakers' new steel operations chief, Mr Thomas Graham.

U.S. Steel has already demanded another round of wage and other concessions from United Steel Workers Union members at five plants employing 4,700 people.

Last week the union, fearing that further concessions might provoke another downward spiral in wage rates. Rejected the concept, but agreed to continue local-plant negotiations.

U.S. Steel, which managed a small $52m profit in the third quarter because of its Marathon Oil subsidiary, has posted operating losses in its domestic steel operations totalling $1.35bn over the past seven quarters.

In a bid to stem the steel losses, the group, considered by Wall Street to be among the slowest domestic steel companies to trim costs and improve efficiency, is thought to be determined to phase out less profitable product lines and concentrate on three main areas where it believes it can compete with lower-cost producers.

Those are sheet steel used in the car industry, steel pipe for the energy sector and heavy plate and beams for construction.

By trimming capacity, U.S. steel would be aiming to cut its break-even point to about 50 per cent, down from around 70 per cent in the latest quarter.

In the third quarter, U.S. Steel used only about 48 per cent of its capacity and lost around $64 on every ton of steel it made, according to Wall Street analysts.

The radical cuts will be necessary if U.S. Steel, as Mr David Roderick, its chairman, has promised is to be profitable in its basic steel business in 1984 for the first time in two years.

Although union concessions at some plants might avert some closures the prospects for such concessions appear to be dimming.

U.S. Steel confirmed yesterday that negotiations at the five plants where it had specifically asked for concessions were continuing. The company also confirmed that Mr Roderick's objective was to make the steel operations profitable next year.

U.S. Steel declined to speculate on the size of any write-off that might result from Tuesday's board meeting.

The five plants immediately threatened with closure are two big steelmaking works, South Works in Chicago, Fairfield Works in Birmingham, Alabama; a finishing plant in Cleveland; and two fabricating plants in Johnstown, Pittsburg, and Trenton, New Jersey.

In all cases the local steelworkers have rejected the request for further concessions, despite a specific U.S. Steel closure threat. Industry analysts also believe other U.S. Steel operations may be closed if the restructuring plan is approved on Tuesday.

U.S. cuts jobless forecast

By Reginald Dale, U.S. Editor, in Washington

THE REAGAN Administration has substantially revised downwards its expectation of U.S. unemployment in 1984, as a result of an unexpectedly sharp fall in the jobless rate in recent months, officials said yesterday.

The unemployment rate, one of the most politically sensitive of all U.S. economic indicators, is now projected at 7.8 per cent during the presidential election year, against a previous forecast of 8.9 per cent and the latest civilian rate of 8.4 per cent.

The new jobless figure was among statistics released yesterday as the Administration temporarily suspended work on its fiscal 1985 budget, due to be presented to Congress in January. By 1988, the Administration said, it foresaw unemployment at 6.1 per cent, marginally beow its original forecast.

The economic assumptions were prepared by Mr Martin Feldstein, the chairman of Mr Reagan's Council of Economic Advisers; Mr Donald Regan, the Treasury Secretary; and Mr David Stockman, the Budget Director.

As previously reported, they put growth in gross national product at 4.5 per cent between the fourth quarter of 1983 and the same period next year. The broad index of inflation was put at 5 per cent for the same period, against a preliminary estimate of 4 per cent for the current quarter.

UK unemployment, Page 7

WITHDRAWAL IF NO GOVERNMENT CASH

BAe gives Airbus aid warning

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT, IN LONDON

BRITISH AEROSPACE (BAe) will be obliged to withdraw from the proposed European A-320, 150-seat Airbus project if it does not get the full £437m ($620m) in launching aid it is seeking from the UK Government.

That was emphasised yesterday by Sir Austin Pearce, BAe chairman, who also made clear that while the company had studied possible alternative sources of cash, such as borrowing in the City of London, it did not regard those as feasible propositions.

BAe had already invested so much in other civil and military aircraft, missile and space programmes that it would not be able to pay the interest on City loans of up to £437m for the A-320. That left launch aid as the only viable option, and without that aid, "we do not believe we would be able to take part in the A-320."

A government decision on launch aid is expected early next year.

Sir Austin, speaking at a press briefing in London, said the total UK share of the A-320 would amount to about £637m. That would cover about 20 per cent of the total investment in the A-320 (the rest coming from the other West German, French and Spanish partners), but would result in BAe, which builds wings for existing, larger Airbus models, getting 26 per cent of the work.

Of that sum, about £437m, would be needed to cover design, development and jigging and tooling costs for the aircraft, with the other £200m covering initial production costs. The £200m would be found out of BAe's own resources, but the £437m would have to come from the Government in launching aid, in the from of a deferred, interest-bearing loan. Repayment of any such loan would start in 1991, being completed by 1997.

"Our problem is that because we have allocated resources for the development of the products we have in other sections of the company we cannot also fund the resources for the A-320 at the present time," Sir Austin said.

New licence starts UK airport row

BY OUR AEROSPACE CORRESPONDENT IN LONDON

A SERIOUS aviation dispute has broken out after the UK Civil Aviation Authority (CAA) decision to grant the independent British Midland Airways rights to fly between Manchester, Glasgow, Abbotsinch and New York from April 1 1985.

The decision, announced yesterday, has far-reaching implications for civil aviation development in Scotland and for the British Government's airports policy. It might eventually mean the end of Prestwick, also in Scotland, as a transatlantic airport, with other airlines, such as Air Canada, moving to Abbotsinch.

Mr Norman Payne, chairman of the British Airports Authority (BAA), which owns Prestwick and Abbotsinch, and which fought the British Midland plan, described the CAA's decision as "a Christmas bombshell for the 800 workers at Prestwick." He promised to appeal against it.

Mr Payne said that by giving British Midland the Glasgow-New York route, the CAA had agreed "that existing airlines serving Prestwick would inevitably transfer to Glasgow, that £25m ($35.5m) of investment at Prestwick would be wasted and that a further £10m would be needed to upgrade Glasgow's existing facilities."

The CAA, however, argued strongly that its decision reflected the facts of the current situation, with fewer passengers wanting to use Prestwick and more wanting to use Glasgow because of its greater convenience.

Traffic at Prestwick has been falling in recent years. In the year to end-October, Prestwick handled only 247,600 passengers, a decline of 5.1 per cent over the previous year.

Although BMA now has rights between Manchester, Glasgow and New York, it still may not fly non-stop from Manchester to New York. The state-owned British Airways holds the licence for that route, although it does not use it.

A public hearing is expected soon when British Midland will apply to take over the licence.

UK delays Nigerian trade cover

By Quentin Peel, Africa Editor, in London

BRITAIN's Export Credits Guarantee Department (ECGD) is to cut its new commitments in Nigeria by delaying processing applications for insurance cover while negotiations to refinance the country's estimated $3bn to $5bn arrears on trade payments take place.

The department will also refuse any new medium-term cover for capital projects pending discussions on the Nigerian Government's spending priorities.

The announcement was made yesterday after high-level talks between British and Nigerian officials in London, the first step in an important exercise to reschedule or refinance the payments backlog.

The ECGD confirmed that Nigeria had requested it to guarantee a big six-year loan to repay the arrears on insured exports accumulated over the past three years after a sharp decline in the country's oil exports.

However, the ECGD insists that any agreement on refinancing should be multilateral – involving all the relevant export credit agencies – and that it should depend on progress being made in Nigeria's negotiations with the International Monetary Fund for a $2bn extended loan.

Mubarak and Arafat meet

Continued from Page 1

described him as a traitor and a U.S. lackey.

His action was denounced as a total violation of the resolutions approved by the Palestine National Council, which had forbidden contact with Egypt until it had renounced the Camp David agreements signed with Israel.

There was no immediate indication from Cairo whether the talks between the two leaders had produced significant areas of agreement.

Mr Arafat would only say that the meeting would help "the unity of the Arabs." He told Mr Mubarak that he hoped they could one day both pray together in the al-Aqsa mosque in Jerusalem.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	S	14	57	Dubrovnik	R	13	55	Malaga	S	17	63	Salzburg	R	2	36
Alvor	S	18	64	Faro	F	18	64	Malta	-	—	—	Seoul	S	3	37
Algiers	F	17	63	Florence	-	—	—	Manila	S	29	84	Singapore	C	30	86
Amsterdam	C	8	46	Frankfurt	C	6	43	Miami	C	27	81	Stockholm	C	2	36
Athens	F	16	61	Funchal	S	19	66	Milan	S	8	46	Strasbourg	S	9	48
Bahrain	S	19	66	Geneva	Fg	3	31	Moscow	R	1	34	Sydney	S	27	81
Bangkok	S	32	90	Gibraltar	F	17	63	Munich	R	4	39	Taipei	C	19	66
Barcelona	S	16	61	Guernsey	C	11	52	Nairobi	-	—	—	Tangier	-	—	—
Beirut	S	19	66	Helsinki	C	2	36	Naples	R	12	54	Tehran	-	—	—
Belgrade	S	13	55	H. Kong	S	22	72	New Delhi	C	24	75	Tel Aviv	F	17	63
Berlin	S	4	39	Innsbruck	R	2	36	New York	C	-2	28	Tenerife	S	20	68
Biarritz	C	15	59	Inverness	C	5	41	Nice	S	15	59	Tokyo	C	14	57
Blackpool	S	7	45	Istanbul	S	15	59	Oporto	R	15	59	Toronto	Sn	-4	25
Bordeaux	R	11	52	Jersey	C	10	50	Oslo	Sn	0	32	Tunis	C	15	59
Brussels	C	8	46	Jo'burg	S	23	73	Paris	C	9	48	Valencia	F	15	59
Budapest	F	7	45	Las Palmas	S	21	70	Prague	C	3	37	Venice	R	9	48
B. Aires	S	25	77	Lima	-	—	—	Reykjavik	S	-8	18	Vienna	R	4	39
Cairo	S	21	70	Lisbon	F	16	61	Rio de J'o	C	36	97	Warsaw	C	6	43
Cape Town	-	—	—	Locarno	S	9	48	Rome	C	12	54	Zurich	F	5	41
Caracas	S	27	81	London	R	10	50								
Casablanca	S	17	63	Los Angeles	C	18	64								
Copenhagen	R	4	39	Luxembourg	C	4	39								
Corfu	T	8	46	Madrid	C	11	52								
Dublin	F	9	48	Majorca	S	18	64								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

'No cash' for Managua

BY OUR U.S. EDITOR IN WASHINGTON

PRESIDENT Ronald Reagan's special Kissinger commission on Central America will exclude Nicaragua from its proposals for a multi-billion dollar programme of economic aid for the region, the Washington Post reported yesterday.

The reason was said to be partly because of fears that economic aid would free other funds for further military spending by the Sandinista government and partly because commission members were treated "shabbily" during a recent visit to Managua.

A commission spokesman would not comment on the report, saying only that its work had not yet been completed. The Commission is to present its finding on January 10.

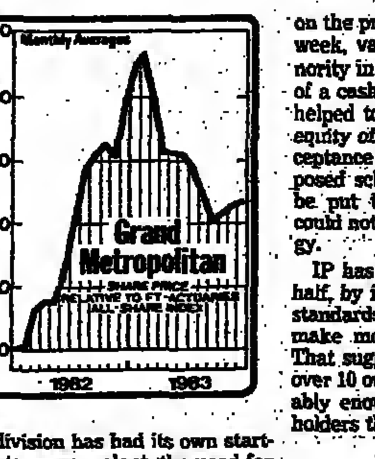
The Commission has been widely expected to recommend a new "Marshall Plan" for the injection of U.S. funds to rebuild the Central American economies and remove the underlying conditions that have led to warfare in the region.

It has never been clear, however, whether the Sandinista Government would be seen as qualifying for such aid by Washington, which is financing rebel forces trying to overthrow that Government.

THE LEX COLUMN

American pie for Grand Met

Yesterday's excellent November UK current account statistics helped the gilt-edged market to digest its last working lunch before Christmas. Even allowing for erratic items and what may prove an over-optimistic oil account, the figures looked markedly better than October's. On Wall Street, meanwhile, the Federal Reserve has no excuse for spoiling the festivities. The 'flash' fourth-quarter GNP rise was surprisingly low, demand for durable goods has flattened out and the recent inflation figures look as if they have been culled from the records of the Swiss statistical office.



Grand Metropolitan

The cosmopolitan drift in Grand Metropolitan's affairs grows apace. While all the major UK divisions have been labouring under refurbishment and reorganisation costs on every side, overseas operations and particularly those in the U.S. have enjoyed a six-month performance to September which is surely fit to vindicate even the most optimistic of Grand Met's foreign growth strategists.

The U.S. and other international businesses have chipped in 56 per cent of the £407m trading profits for the year to September, on the basis of a 45 per cent contribution to sales. This, with related exchange gains from a stronger dollar, has provided for much of the jump in pre-tax profits from £220.2m to £295.2m.

Heading the list of foreign credits is still Liggett, with its dramatically expanding share of the U.S. cigarette market. Volume sales of its generic products have made a quantum leap and dollar trading profits have climbed 31 per cent. Liggett's results as reported have also been the main beneficiary of the dollar's strength, picking up about £14m to add to the underlying improvement of nearly £20m.

The group's disposal of its London hotels during 1983 has assuredly not impeded Grand Met's enjoyment of the hot summer. International hotel profits in the second half have reached £20.9m, up £5.4m. This still leaves the real benefits of the Intercontinental chain's integration to come.

Meanwhile, back in the UK, Grand Met has its head down busily preparing for a brighter future. This has probably produced exceptional costs of more than £5m in consumer services alone for the refurbishment of managed pubs and the Chef and Brewer outlets. The food division has had its own start-up costs on new plant, the need for which is, if anything, even more painfully apparent.

This has all added to the size of Grand Met's cash outflow, probably pushing it well over £100m and adding slightly to the 1982 net debt: equity ratio of 57 per cent. The shares closed down 7p at 338p.

Smith Bros.

Smith Brothers has rushed out its half-year accounts a month earlier than usual in order to help shareholders understand the merits of its intended liaison with N. M. Rothschild. The rather patchy nature of the figures certainly underlines the usefulness of a broader base in the new age of securities dealing.

Although Smith's £800,000 pre-tax profit is virtually the same as in the six months to October a year ago, it has clearly been earned in rather different places. Agora, a New York dealing associate has tumbled into the red, while jobbing in London was still getting the benefit of higher gold-share prices. But the bull-market turnover in which Smith prospered during the second half last year, was definitely over.

Courtaulds/Int'l Paint

Once Courtaulds had made up its mind to buy out the minority in International Paint (IP) there was clearly no point in being half-hearted. The apparent leakage of information on Monday nevertheless appears to have guillotined the negotiating procedure – and brought out more generous terms than Courtaulds probably had in mind to start with.

The offer of five Courtaulds shares for three in IP works out at 210p a share, a 40 per cent premium on the price at the beginning of the week, valuing the 12 per cent minority in IP at £18.9m. The absence of a cash alternative will also have helped to jack up the value of the equity offer. With a 75 per cent acceptance needed before the proposed scheme of arrangement can be put through, an all-paper bid could not be allowed to appear stingy.

IP has had a disappointing first half, by its generally distinguished standards, and might be pushed to make more than £20m this year. That suggests a multiple of a little over 10 on last year's tax rate, probably enough to push the minority holders through the exit.

Tax panto

And now for a traditional British pantomimn involving those favourite stock characters, the pension funds, the Inland Revenue, and the two ugly sisters – the traded options and financial future markets.

Last week the Inland Revenue unveiled a draft clause exempting pension funds from paying income (or corporation) tax on their dealings in financial futures instruments. Naturally the traded options market has been swift to jump on the bandwagon to demand similar treatment.

It does, after all, seem ludicrous that pension funds should be attracted to one market through tax exemptions and discouraged from using another, which has broadly similar characteristics, by harsher tax treatment.

But in tax matters the plot is never straightforward. As drafted, the futures clause exempts gross funds only from paying income tax. A determined tax inspector might try to make a capital gains tax charge stick. Furthermore, the clause leaves the option market's claim for parity of treatment high and dry. For options are already being assessed to capital gains tax. So an income tax exemption would be irrelevant.

The result is a most satisfying three-cornered custard pie battle. Most net investors have been allowed to see their futures profits taxed as capital gains. Now the pension funds will be running round claiming their profits in the market are liable to income tax – since they have a specific exemption for this.

Meanwhile, the options market is belly-aching for a capital gains tax exemption for pension funds in their market. This one will run and run.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Damer, Frankfurt/Main, A.V. Hare, R.A.F. McClean, M.C. Gorman, D.E.P. Palmer, London, as members of the Board of Directors. Printer: Frankfurter Societäts-Druckerei GmbH, Frankfurt/Main. Responsible editor: C.E.P. Smith, Frankfurt/Main. © The Financial Times Ltd. 1983.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Friday December 23 1983

Maserati drives back into the fast lane

BY JAMES BUXTON, RECENTLY IN MODENA

THE YARD of the Maserati works in Modena on a freezing December morning does not seem a very glamorous ambience lor the launcb of a high-performance luxury car with one of the most exciting names in motoring history.

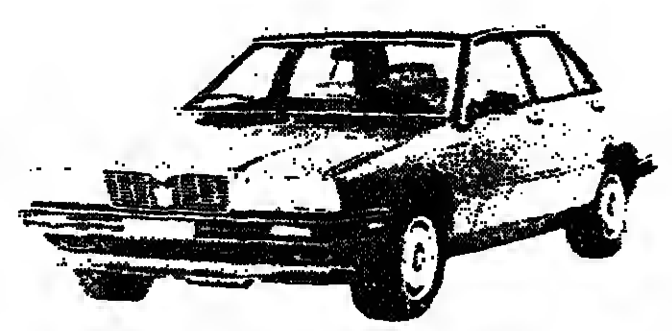
Yet there was the sumptuous new four door version of the Maserati Biturbo, a 2,500cc twin-supercharged saloon, capable, it is said, of over 215 km per hour and accelerating from 0 to 100km an bour in 6.9 seconds. There, too, was its creator, Sig Alejandro de Tomaso, playing like a schoolboy with the electric windows and the radio – which at a touch of a button disappeared behind a blank wall in the dashboard, a useful facility in a land of car radio thieves.

Sig de Tomaso bad every reason to look pleased. The Maserati Biturbo, the first two door version of which was launched in December 1981, has dramatically transformed the fortunes of the company whicb was almost given up lor dead in the mid-1970s wheo its previous owner, Citroen, put it into liquidation. In the first 11 months of this year sales bave reached L101bn (560m): exactly twice those for the whole of 1982 and 20 times the miserable L5bn achieved in 1976. Last year Maserati made its first profit in recent years – a modest L582m – but more is expected for this year. Sales next year, says Sig de Tomaso, could be as high as L170bn.

The new Biturbo 425 will cost about L35.5m ex-works wben it goes on sale in the spring. The basic two-door version costs about L28.5m, but already 4400 Biturbos have been sold this year, enough to give Maserati about 12 per cent of the Italian market lor fast, luxury cars in which it competes with imported BMWs, Saabs, Jaguars and Mercedes. Exports to West Germany, Austria, Switzerland and the U.S. are now getting underway. "The orders we have got are extraordinary," says Sig de Tomaso.

Maserati is also one of the lew examples in Italian industry of Government financial aid actually bringing about a turnround rather than just prolonging a mouldering existence. Sig de Tomaso, who is a fiery and engaging Italo-Argentine, only owns 18.7 per cent ol it; the rest is beld by Gepi, a state company set up in 1971 specifically to rescue lame ducks.

About L25bn of state money bas gone into Maserati in both loans and equity to transform it from a concern which produced about one hand-made car a day to an todustrial operation with daily production of about 30. Although further investment will be needed to remove bottlenecks, the loans are being repaid and next year Sig de Tomaso will bave the rigbt to buy out the whole of Gepi's stake for only L6bn, less than the equity Gepi has put into it.



The new high performance Biturbo

"You may think it's a good price but when it was agreed no one would offer a penny for Maserati," says Sig de Tomaso. Gepi says the buy-back options are normal practice in all its interveotions. "After all it's the entrepreneur who bas done the work," says Sig Rocco Spera, Gepi's director general.

The Maserati plant at Modena, in the engineering heartland of northern Italy, only makes the engines and the mechanical parts of the cars – bodywork and assembly are carried out in the Milan plant ol Nuova Innocenti, another part of the de Tomaso empire. There the story is rather less cheerful.

Innocenti was the Italian subsidiary of British Leyland, which lost vast sums of money on it before it went into liquidation in 1975. De Tomaso and the Gepi stepped in to rescue it and formed Nuova Innocenti, of which the de Tomaso group has 77 per cent, the Gepi 18.5 per cent and Leyland 8.5 per cent.

Nuova Innocenti has done badly because Leyland bas done well in Italy. Innocenti used to make the Mini in Italy under licence, then brooght out its own quite different version, designed by Bertone, using Leyland engines. When the engine import agreement expired in 1981 Innocenti began importing Daihatsu engines from Japan – a remarkable step for Sig de Tomaso, wbo feels strongly against Japanese competition in Europe.

But in the meantime Leyland Italy began building up its own operation in Italy and car sales (whlcb reached nearly 26,000 units in the first months of 1983) took off with the arrival of the Metro in 1981. Leyland can offer its dealers a wbole range ol cars, including Jaguars, the Metro, the Maestro and even the old Mini, while the 167 Innocenti dealers have only one model to offer, albeit in different versions. Many of them deserted Innocenti for Leyland.

By last month Innocenti had only sold 12,400 cars this year against last year's total sales of 20,000, and it expects to lose at least L15bn this year on sales of L165bn, according to Sig de Tomaso, though he also insists that unit sales will still end up "close to 20,000". But that would be a smaller loss than last year's deficit ol L22bn. In 1981 Nuova Innocenti lost L12bn.

Sig de Tomaso blames the problems of the Mini on Labour difficulties (he is notorious lor his outspoken cootempt, lor the unions), higb labour costs and a desperately competitive small car market in Italy, wbere total car sales have declined nearly six per cent this year. But be is not downhearted: "when I took over Innocenti I said we would lose L33bn plus inflation before we broke even. You could say we were on target."

Even so cash flow problems mounted alarmingly earlier this year. The Gepi recently stepped in with an injection ol L45bn ln new capital, which will take Nuova Innocenti's capital up to L75bn. There will be a new division of ownersbip ol the company, Sig de Tomaso says, with his own share going down, and the Leyland stake will become iosignificant. Sig de Tomaso says that he expects to settle outstanding legal problems with Leyland over the launch of the Metro and over other issues in the near future.

However, the future of Nuova Innocenti may not be quite as bleak as it looks. Sig de Tomaso still insists that there is a place for it as a small car manufacturer alongside the giants (the Fiat), though he says there is at present no model to replace the current Innocenti Mini. But as Maserati booms, Innocenti will benefit, and Innocenti also supplies components lor the motorcycle companies in the de Tomaso group, Benelli and Guzzi, both ol them surviving despite the Japanese onslaught on the European market.

Indeed there is talk of Innocenti coming close to breakeven next year, and the Gepi has said publicly that the drop in Sig de Tomaso's stake in Innocenti after the capital Increase will cost him some of the profits stemming from the success ol Maserati.

But that is for the future. Sig de Tomaso claims that he said oll along that Innocenti would only survive because of Maserati. "People always say Innocenti has had it. They said the same about Maserati."

Chase Manhattan takeover opens up Dutch bank sector

BY DAVID LASCELLES IN LONDON

CHASE MANHATTAN'S $43m bid for the two thirds or so of Nederlandse Credietbank (NCB) that it does not own should tidy up a relationship that has been messy and not particularly fruitful for either party. But it also marks a significant shift in the policy of the Dutch central bank towards allowing greater foreign ownership of the Netherlands banking industry.

NCB, which has assets of Fl 15bn ($4.8bn), ranks number five in Holland. Chase started building up an investment in the Dutch bank in the late 1960s as part of its efforts to forge stronger links with Europe. But when the stake reached 31.5 per cent in 1978, the central bank made it clear that was enough. As a result, Chase was left with a sizeable Investment but little or no control.

After that, NCB was dogged by speculation about its future, not helped by the fact that another sizeable shareholder, the Thyssen-Bornemisza industrial group, made no secret of the fact that it wanted to dispose of its 27.5 per cent holding.

NCB was not a sparkling performer either. Profits slumped several years in a row, hitting Fl 7.5m last year compared with a peak of Fl 22.8m in 1979. Loan problems were partly to blame. But so was management. And a major plan had to be put together to pare the branch network back from 115 to 75 and push the bank more into the wholesale business.

Earlier this year the central bank indicated to Chase that it was softening its line on foreign ownership. Chase promptly went to Thyssen-Bornemisza and, after some haggling, agreed to buy it out at Fl 40 a share.

The price represents a sizeable 23 per cent premium over NCB's recent trading price of Fl 32.80. But Chase has good reason to want it to succeed.

Mr Robert Hunter, the executive vice-president in charge of Europe, said Chase has a policy of seeking whole or majority interests in subsidiaries. Over the last four years, he said last night, Chase had established 100 per cent ownership of previously part-owned banks in Austria, Belgium, Ireland and the Channel Islands.

Chase was involved in drawing up the new NCB strategic plan which Mr Hunter says should be complete by 1986. Profits are improving and NCB earned Fl 6.3m in the first half of the year, an increase of 10 per cent on the same period last year.

Dutch banks are allowed to keep hidden reserves, so the published accounts do not tell the full story. But Mr Hunter said Chase had been privy to NCB's complete finances for several years

Although Chase has pledged to keep existing management, tighter control is clearly its aim.

"We will integrate NCB more closely with our worldwide operations," said Mr Hunter. Ironically, Chase probably has better relations with big Dutch multinationals like Philips and Akzo than NCB, so it will try to channel some of the domestic Dutch business that flows from these contacts in NOB's direction.

Lincoln First purchase aids regional strength

BY OUR NEW YORK STAFF

CHASE MANHATTAN, the third largest U.S. banking group, has agreed to acquire Lincoln First Banks, a multi-bank holding company with branches throughout Upper New York State, for $308m in cash and paper.

The planned acquisition marks a large regional expansion for the New York-based money-centre bank and will provide it with a strong foothold in the expanding banking markets in upper New York State.

Lincoln First, which has its head office in Rochester, has branches in 77 communities including Westchester, White Plains, Syracuse, Binghampton and Jamestown.

Aside from retail banking, Lincoln First, with assets of $3.9bn at the end of last year, also has extensive corporate banking operations and has been one of the few regionals successfully to expand its international business in recent years.

Under the terms of the deal, Chase is offering Lincoln First's shareholders $72 a share in cash or a mixture of Chase common stock and non-redeemable preferred stock with a composite value of $72 a share.

Chase said the total amount of cash available under the proposed deal will be $55m and the market value of Chase common stock available for the deal will be $18m.

Tengelmann expects advance in U.S.

BY JOHN DAVIES IN FRANKFURT

TENGELMANN, the West German supermarket group, expects a continued advance at the Great Atlantic and Pacific Tea Company (A&P), its majority-owned U.S. affiliate.

The privately owned German group said that A&P made net profit of $31.2m in the financial year to last February – its best result since 1970 – and everything pointed to further improvement to the current year.

Tengelmann said that tight cost control was still the watchword at A&P in the wake of the U.S. chain's recovery from severe difficulties. A&P was gearing up for new market strategies and cautious expansion.

A&P contributes more than half the Tengelmann group's sales revenues of about DM 22bn ($8.14bn) a year. The group operates not only a core of Tengelmann supermarkets, but also other chains, such as Plus and Kaiser's, as well as the Löwa shops to Austria.

The group said that the West German retail trade, Including Tengelmann, had been going through its hardest test for more than 30 years because of the recession.

As a result, the core companies in the group had increased their sales revenue in the year to June 30 by only 1.5 per cent to DM 3.54bn, which in real terms amounted to a setback.

But even so, the Tengelmann stores had increased their market share, partly as a result ol more aggressive pricing policies.

National Semi gains

BY LOUISE KEHOE IN SAN FRANCISCO

NATIONAL Semiconductor, the major U.S. microchip maker, has produced second quarter earnings of $13.2m against a loss ol $3.5m a year earlier.

Sales for the quarter were $369m up from $277.5m last year.

Mr Charles E. Sporck, president and chief executive officer said the semiconductor division and company as a whole achieved its highest order ratesd yet.

National has spent a record $39.4m or 10.4 per cent of sales on research and development during the second quarter, according to Mr Sporck.

Capital spending for the first half of fiscal 1984 totalled $83m. Mr Sporck said that National expects to spend over $200m this year on increasing its wafer fabrication capacity. New production capacity is being added at most of National's facilities, including two new wafer fabrication lines

Allied fertiliser buyout

BY OUR NEW YORK STAFF

ALLIED Corporation, the U.S. chemicals group has agreed to sell its liquid fertiliser business for an undisclosed sum to AAC Holdings, a newly-formed company set up by E. F. Hutton, the Wall Street investment house, and certain members of the management of the Allied division tovolved.

Allied will suffer, a loss of $140m or $3.60 a share against its 1983 income as a result of the deal, which it expects to complete by the end of January.

In 1982, Allied earned $272m, but Wall Street expects profits to rise to around $420m this year.

Allied said the divisions being sold brought in less than 2 per cent of this year's estimated group sales total of $10bn.

E. F. Hutton said the new company's assets and profits would be such that a public quotation would be possible "in better times for the fertiliser industry."

Warner sells film contracts for $350m

By Terry Byland in New York

WARNER Communications, the U.S. entertainment group currently taking heavy losses at its Atari subsidiary, has introduced a novel form of film industry financing by selling $350m worth of film and television contracts for $275m cash to a group of banks headed by Bank of America. The contracts cover rigbts to TV programmes already sold to major networks and agencies.

Warner said it bad struck the unusual deal – the first of its kind in the industry – in order to take advantage of tax losses, and that it expects to recover the discount over the four years covered by the contracts. It will use the cash to reduce short-term debt, which stood at $344m in September.

Warner lost $424.7m in the first three quarters of the year and much of the tax loss inolved can be applied to this year's balance sheet.

European car sales top 10m in 1983

By Kenneth Gonding In London

CAR SALES in Western Europe in 1983 reached 10.4m, the higbest level since the 10.6m recorded for 1979, according to Ford of Europa estimates. Ford claims to have set records in terms of both volume and market share during the year.

Ford estimates that it will sell 1.3m cars in 1983, an 8 per cent rise on the 1.2m lor 1982.

This will give it a 12.6 per cent sbare of the Western European car market. This was probably enough to put Ford ahead ol Renault at the top of the European car sales league table for 1983.

Ford says the Escort will be Europe's best-selling car lor 1983, having overtaken the Volkswagen Golf, which was adversely affected by the change to a new model during the year.

The Escort will probably end 1983 with a European market share of about 4.4 per cent

INTL. COMPANIES & FINANCE

David Marsh talks to the chief of a struggling Alsace engineer

Manurhin heads for equilibrium

IN A spacious Parisian flat overlooking the Invalides where Napoleon lies buried, M Antoine Veil, chairman of the struggling Alsace engineering group Manurhin, crunches breakfast-time croissants and talks about the re-birth of his company.

M Veil at 57 has a career background studded with impressive details. None of them have any specific relation to the problems of a company which registered e massive loss of FFr 740m (US$87.5m) last year and which has just been rescued from bankruptcy through a FFr 335m rescue package put together by leading French banks and Manurhin's main shareholder, the state-controlled defence and electronics concern Matra.

But M Veil—married for 27 years to Mme Simone Veil, the popular centre-Right French politician—aims to use the management expertise he garnered during years as a high-flying civil servant and, latterly, as director general of the private sector French airline UTA, to pull Manurhin back from the brink. His aim is to break even next year and to start making profits in 1985.

M Veil was brought in as chairman of the long-established group, which has a turnover of FFr 2bn a year, in mid-1982. This followed the death of M Paul Spengler, the long-serving head of the family-dominated company and the son of M Jules Spengler who founded Manurhin in 1919.

"I discovered a disaster," admits M Veil bluntly. He was brought in at the request of his long-standing friend, M Jean-Luc Lagardere, the chairman of Matra. The now state-controlled group (the Government took a 51 per cent stake in last year's nationalisations) had bought 34 per cent of Manurhin in 1978 and now, as part of the just-completed rescue deal, is increasing its stake to 80 per cent. The other aspect of the financial rescue is a drastic pruning of Manurhin's activities and a shift in emphasis towards profitable defence work and production of automated factory equipment.

M. Spengler died before a proper audit of Manurhin's accounts had been completed. As a result, M. Veil has been left to oversee a thorough cleaning up of the group's balance sheet, including catching up with tardy stock depreciation and entering full provisions on doubtful loans to clients.

Of the FFr 740m net loss declared for 1982, between Fr 450m and FFr 500m was linked to losses in previous years' which had not been reflected in the accounts M. Veil explains.

Now, he says, the corner has been turned. Manurhin has agreed to intensify its links with Matra in weapons manufacturing and its new speciality, automated production processes. Restructuring of FFr 550m short term debt agreed with the banks and a large capital injection from Matra (FFr 25m in the form of equity capital and around FFr 360m in cash, including the abandonment of previous advances of FFr 150m) will reduce Manurhin's debt service charges next year to ebout 6 per cent of turnover from the "ridiculous" level of 12 per cent this year.

The salary bill will also be reduced considerably through a reduction in group workforce from 5,800 in summer 1982 to only 4,200 by next spring. The job cuts, through a mixture of redundancies, early retirements and the dispatch of workers on training courses, have hit most of all Manurhin's basic machine tools activities, which are being closed down altogether.

The result of the restructuring, M Veil says, will be to bring Manurhin back to equilibrium in 1984 after an estimated loss of FFr 200m (including the costs of the job cuts) this year.

The salvaging operation at Manurhin is an experience regrettably common to other prestigious French engineering and equipment companies such as Poclain or Motebecane. They have been forced to adjust under the harsh impact of the recession. The process has not been without rancour.

Apart from the savage job cuts, Manurhin's workers have had to face a pay freeze since M Veil took over. The chairman admits this has lowered real wages (which admittedly were previously above average) by between 13 and 15 per cent.

The debt restructuring agreed with the company's 12 main banks—led by Banque Indosuez and the Banque Nationale de Paris—was held up by last-minute discord when one member of the consortium, the state foreign trade financing bank, Banque Francaise du Commerce Exterieur, refused to accept the terms.

The matter was only resolved after M Veil, in an 11th-hour act of brinkmanship, threatened last month to file for bankruptcy within 48 hours unless all the banks reach an agreement.


Antoine Veil

M Veil is putting his eggs for the future in several different baskets.

Weapons will make up a bigger part of Manurhin's overall turnover (already the split is roughly 55 per cent for defence, 45 per cent for civil work) as a result of the merging of the group's arms activities in a joint company with Matra.

This will group together Manurhin's ammunition production and other activities in areas ranging from shells and missiles, to anti-tank weapons, cannon and police revolvers.

On the civil engineering side, Manurhin has already signed an agreement with Olivetti to use in its own factories the Italian company's automated production equipment and to sell the machines commercially. Indicating that Manurhin will stick to its traditional field of supplying such industries as the metalworking sector, M Veil says: "We will buy basic equipment from different producers and adapt and complete the machines with our own software."

Manurhin is also exploring a possible accord with Siemens of West Germany in numerically controlled machine tools.

A joint-accord with Fujitsu Fanuc of Japan, one of the world's leading robot manufacturers, which was being negotiated under Manurhin's previous management, has now, however, been scrapped. M Veil says the planned agreement would not have given the French company sufficient commercial rights to market the equipment itself in Europe. He says the company is keeping the door open to commercialising robots and automatic manipulators for factory processes. "But I don't intend to become a robot manufacturer. It's too late. It is something we could have done 10 or 15 years ago. But now the market is almost saturated."

In other civil areas, Manurhin is to keep its profitable car parts manufacturing subsidiary Lebranchu going as well as its luxury clocks division L'Epee, although here too collaboration with Matra will increase.

Manurhin is also forming, with the diversified food group BSN Gervais Danone and Saint Gobain subsidiary Pont-a-Mousson, a joint subsidiary to make and market equipment for the bottling industry.

In return for Matra's engagement in underwriting the company's future, Manurhin has now clearly been drawn fully into the state-controlled group's orbit. But M Veil insists that Manurhin, which still has 20 per cent of its capital quoted on the Paris Bourse, will continue to function as far as possible as a private company.

In a bid to attract more capital and "to let the small shareholders benefit from the support of Matra," Manurhin is shortly to launch a FFr 100m bond issue with warrants giving holders the right to subscribe to Manurhin shares at a fixed price of FFr 50 during 1985 to 1988. "It could be interesting," says M Veil.

Renong share issue is 55 times oversubscribed

BY WONG SULONG IN KUALA LUMPUR

RENONG BERHAD, the former London incorporated tin mining company, now under Malaysian control and expanding rapidly into property development, has received an enthusiastic response from the public for its share issue.

The offer of 6.25m shares of 50 cents each, priced at 60 cents, was oversubscribed 55 times, attracting applications for 350m shares. Directors have given 97 per cent of the allotment to applications below 10,000 shares.

Another 2.9m shares were reserved for Malays, employees and directors.

Renong began as a tin mining company in 1913, exhausted its tin deposits in 1976, and transferred its domicile to Malaysia in October last year.

Since then, it has purchased two property companies, Kinta Properties and Hiap Ann Development for 34.8m ringgit (US$15m) through a share exchange.

After the public share offer, Renong will have a paid up capital of 25m ringgit. Its projected pre-tax profit for the year to June 1984 is 4m ringgit.

Battle of Brisbane ends as Fairfax gains control

BY MICHAEL THOMPSON-NOEL IN SYDNEY

AS DRAWN out as Dallas—if not quite as costly—the takeover struggle for Australia's Brisbane Television (BTV) ended yesterday when Television Wollongong Transmissions (TWT) sold its 30.5 stake in BTV to John Fairfax, the Sydney-based media group.

After a month's duel and 30 separate bids Fairfax now owns about 80 per cent of BTV, which operates BTQ7, Queensland's most profitable TV station.

The deal values BTV at A$49.8m (U.S.$44.8m), representing a price-earnings multiple on anticipated current year profits of between 10 and 12.5.

However, the long running takeover battle has been subtitled "Fairfax's folly." Fairfax acquired its original 19.9 per cent stake in BTV last year at a price of A$14 a share, whereas at the peak hour of its bidding duel with TWT the price reached a climactic A$27.50 a share yesterday, adding greatly to Fairfax's costs.

TWT, which operates a regional TV station in Wollongong, the steel town south of Sydney, is expected to show a profit of about A$5.6m on yesterday's sale to Fairfax.

THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

When career blues hit the middle-aged. . .

" I'm afraid that's your door from now on, Simpkins

BY MICHAEL DIXON

IF YOU are not over the hill yet, don't be smug. You'll be joining the rest of us on the downward side soon enough. And wben you do we shan't sympathise if you go around bemoaning your wasted potential, like T. S. Eliot's middle-oged J. Alfred Prufrock who whined: "I bave measured out my life with coffee spoons."

He should be so lucky. Coffee spoons at least glitter occasionally. For most of us middle-agers the great bopes of youth long since gave woy to a procession of uniformly drab events.

The general mediocrity of our careers makes it more ludicrous than lamentable to compare ourselves with the few who achieved great things. For instance (to borrow an illustration from Tom Lehrer), by the time Mozart was my age be'd been dead for 16 years.

What tends to distress us is not looking back on past insignificance, but being put into a position where all we can look for .ard to is an even less significant future. And many more middle-agers towards the upper end of the poy scale now suffer that fate than their predecessors did, and a good deal earlier in their lives to boot.

Only a conple of decades ago managers and specialist staff could often realistically hope for further promotion until they were nearing their mid-50s. Those who didn't get it were usually renaid for their loyalty by being kept on the payroll until retiring age.

Nowadays there is less and less bope of real promotion beyond the early 40s. If your organisation bas not chosen you for the top by then, you're increasingly liable to be not just ahelved but scrapped.

So it is a tribute to the resilience of middle-agers that, on the evidence of research by Professor John Hunt and Dr Roger Collis, only a minority of us get doom-laden. Their study of the so-called Mid-career Crisis* showed that its depressive effects hit only 37 per cent of the middle-aged in their sample of 574 men in managerial jobs in big organisations. That is an encouragingly small proportion considering that about a qnarter of managers suffer from depression even in their 20s.

Booze-intake

The 574 were Australians, wbo are peculiar not only in living upside down but in munching more aspirins and the like than any other nation as well as being unsurpassed in booze-intake. But it seems fair to suppose that tbe research findings are loosely applicable to big-organisation managers elsewhere in the world.

The worst incidence of suffering from the onset of middle age—in the 35-45 bracket—occurred in finance, banking and insurance organisations. The financial sector's boozing was outstanding even by Antipodean measures. It came first equal with public-service bureaucracies for provoking backache and other physical symptoms of stress, and tied with wbolesaling and retailing for driving executives paranoid.

But finance bad a better record than any other sector for happy family lives. When the sample was onalysed not by sector but by the work the 574 managers did as individuals, the bappiest with their families turned out to he the most senior managers. Oddly enough, they also bappened to spend the least time witb their families.

Tbe people least happy with marriages and children were the public-servire bureaucrats. They spent the most time with their families.

The prize for being the most depressed ot all ages went to personnel managers. Not much bappier with family life than the bureaucrats, they equalled them in feeling inescapably "locked into" their present organisation and came close to financial managers in drinking and avoiding physical exercise. Personnel staff bad the worst record for nervous disorders and were the most liable to have received psychiatric treatment. But they smoked less than the others.

There is a touch of poetic justice in the extra suffering of personnel managers. For wben the researchers looked for the causes of mid-career depression, the blame seemed to lie more with organisations' personnel policies than with pbysical failings or declining technical competence among the third or so of the execntives hit by the crisis.

Around 90 per cent of the victims were satisfied with the work their job required of them in contributing to their organisation's service to its customers. The main complaint was that their ability to contribnte still better was blocked by ritual procedures, especially promotion systems widely seen as rewarding something different from productive job-performance.

Often the hlues were born wben the weight of evidence finally forced the middle-agers to drop their earlier belief thot the key to success was contributing to the organisation's stated objectives. The scales fell from their eyes to reveal corporate life "as a power game in wbich the mediocre and even the incompetent can he successful . . . in which senior executives achieve their own (personal) objectivea in the name of the 'system'."

Propaganda

The fact that we previously imagined otherwise is our own fault, of course, for so gullibly believing recruitment propaganda and the pep talks of pin-striped superiors. Perhaps it is because most of us accept the blome instead of continuing to feel cheated hy others, that only a minority get despondent.

But because of the extent to whicb the personnel profession connives at deceiving young hopefuls about their real career prospects, its members surely deserve their more extensive suffering. It seems that tbe profession whicb most deserves middle-aged misery, however, is the one supposed to provide careers advice in schools etc. Of the managers aged 40-plus in the sample, almost two thirds would take up different work if only they could start again.

*Wellington Lane Press. £6.75

Programmed psychology

How to use your Edge to advantage

BY LOUISE KEHOE

"SALES EDGE" is a far cry from the usual spread aheets, calendars or mailing list programs to emerge from computer software bouses. It is instead a computer program for salesmeo which sddresses the bumsn side of selling—the relationship between buyer and seller.

The Sales Edge package comes from Human Edge Software, one of the newest software companies to estahlish itself in California's Silicon Valley and one wbich bas a knack of ssying the right things to get you interested in its product—an schievement no douht due in part to the company's use of its own product.

Sales Edge psychoanalyses the user and his prospective customer, figurea out how the two will get on together and advises the salesman on how to make the most of his abilities.

The computer suggests opening, presentation and closing strategies tailored to the individual customer. Its advice can run to 10 pages, and discusses the ins and outs of the relationship in minute detail.

Human Edge has been putting the program to work in its inirial contacts with software distributors, retailers and visiting jouroalists. Dr James H. Jobnson, founder of Human Edge, explains: "To close a major order from a distributor we ran the program on our contact and on eacb of the company's executives. We used the output to decide whicb of us should visit the customer to close the sale."

Johnson expects to sell up to 50.000 copies of thia and follow-up programs in 1984, and two to three times as many in 1985. Sales Edge costs $250.

The Sales Edge program cannot substitute a computer print-out for buman intuition or the ability to get along with people, hut it comes very close. The computer, it seems, is more consistent than its human counterparts in predicting bow one person will relate to another in a sales meetiog.

"It is easler to take advice from a computer than from another person," Johnson suggests. "People get defensive when they are told bow to improve their relationships."

It is comforting to learn, though, that o great deal of buman expertise is needed to turn the compnter into even the most baaic kind of psychological "expert." The computer's apparent insight comes from a mass of research data condensed to fit into the limited memory of a personal computer. "We reviewed all of the literature, both ocademic and popular, on the subject of how to sell and extracted advice in order to build up a set of roles on bow to succeed," explains Johnson, himself a widely published clinical psychologist who has specialised in the opplication of computers to psycbological testing.

Tbe next step was to feed the computer with sets of personality traits. Sales Edge contains matrices of 12 basic buyer types and 12 basic sellers. Add graduations on each scale of personality type and thousands of possible combinations result — each producing a personalised set of advice.

The computer learns what kiod of individuals it is dealing with by asking leading questions such as : "Agree or disagree with the following: white lies are often justifiable."

In assessing the "buyer," the computer asks the salesman to describe him by agreeing or disagreeing with a list of 50 characteristics.

Sales Edge represents the first application to personal computers of what ia termed "expert systems tecbnology." Using the same concepts and methods employed io Sales Edfe, Human Edge is developing programs for managers tadvising on how to deal with individual employees in a variety of difficult situatioos) aod negotiators — suggesting strategies, proposals, counters and the like.

Turning to a machine for advice on bow to get along with people may sound far-fetched, hut it is after all not very different from consulting one of the hundreds of popular psychology hooks on "How to succeed." or "How to be a parent."

It is also as well to remember the old adage of the computer world—garbage in, garbage out. Unless thc salesman is honest about bimself, and has sufficient insigbt to snswer questions about his potential customer, the computer can tell him nothing of volue.

To open an Orwellian 1984, the Financial Times applied Sales Edge computer expertise to the relationship between two world leoders — the British Prime Minister, Margaret Thotcher, and the U.S. President, Ronald Reagan.

How should Mrs Thatcher approach Mr Reagan in "selling" bim ber policy on Noto spending, we asked the computer.

In our simulated test, we had to rely upon the (all too human) expertise of Financial Times' writers to define the personalities of both our subjects. None the less, the computer seemed to identify them well.

"Your obility to understand Ronald Reagan's point of view will belp you to involve this active, sociable person," the computer assured Mrs Thatcber. "He will appreciate your warm maoner aod respond very positively as a result. The result will probahly be o mutually comfortable relationsbip upon which successful business can be built."

Thot might seem to be an obvious observatioo, but in fact it is a deduction from a basic description of each personality.

The computer weot on gently lo point out potential problems. "Your tendency to place empbasis on details may bore R. R., so thoughtfully prepare an interesting, stimulating approach that will appeal to someone who prefers o more general or global approach. Be aware that R. R. can be impulaive and make quick decisions. You, on the other hand, tend to worry about decisions." (Had the computer heard ahout the Falklands ond Grenada, we wondered?)

"Do noa take R. R's bargaining acts ond tendency to take a firm stand to mean that a confrontation or win-lose contest is on. Your tendency may be to increase your hard-sell to guarantee that you will not lose. Do not increase pressure on R. R. as tbis may deter him," the computer went oo to advise.

"R. R. is inclined to seek the limelight, to perform for others. Appeal to R. R. with flattery and by acknowledging his achievements," said the computer, displaying an uncanny appreciation of the President's personality.

We are not suggesting that Mrs Thatcher should turn to a computer for advice on how to get olong with Heads of State. It is just that if he bas an "edge" — perhaps she sbould too.

Management abstracts

Dual-career conples. D. H. Green and T. J. Zenisek in Journal of Business Ethics (U.S.). Aug 83.

Reviews current literature on dual-career partners, specifically advantages/drawbacks, effects on mutual satisfaction and relationships, and influence on transfer/relocation decisions by either partner. Stresses the increasing organisational involvement in dual-career family dilemmas, and indicates a range of personnel policies aimed at belping employers cope with them.

Assessing the productivity of corporate staff services. J. Hoffman and O. Shackney in Business Horizons (.S.), July/Aug 83

Discusses reasons why corporate staff aervices cease to be cost-effective; outlines a method of reviewing the role and contribution made by eacb activity, and advises on functional productivity assessment, suggesting that realignment of the services is more likely to be seen as the solution than major restructuring.

A management strategy for information processing. A. C. Collins in Long Range Planning (UK), Oct 83.

Gives a detailed description of a large-scale computer development at South Eastern Gas (to the extent that there are now 1,200 terminals for 6,000 office workers); explains the aims of the development, its organisation, ond the deficieocles encountered along the way; claims that, by the end of the programme, the return on capital investment will run at almost 90 per cent.

These abstracts are condensed from the abstracting journals published by Anbar Management Publications. Licensed copies of the original articles may be obtained at £3 each (inclndiog VAT and p+p; cash with order) from Anbar, PO Box 23, Wembley, Middlesex HA9 8DJ.

TECHNOLOGY

EDITED BY ALAN CANE

RUSSIAN AND AMERICAN ENGINEERS ARE PLANNING THE FIRST ORBITING FACTORIES

Watch for products labelled 'Made in Space'

BY PETER MARSH

SPACE ANALYSTS in the West believe that over the next two years the USSR will build a large space station with several modules in which different kinds of experiments can take place.

The hase would improve on the Soviets' existing stations for two reasons. First, it would contain up to six docking ports, compared with two in the current generation of hardware.

With the extra ports, engineers would attach to the central core of the base modules for set purposes. Four such modules may see service in the next generation of space stations, auggest space analysts.

These would be for materials processing, observations in astronomy, remote-sensing of the Earth and biological experiments.

The modules will probably be of the same dimensions as the core of the Soviets' existing space station, Salyut 7, which has been in orbit for nearly two years. They would be cylinders about 15 metres long and 4 metres in diameter.

The second reason why the new base would be a step forward is that it would allow the Soviet Union to keep people permanently in space.

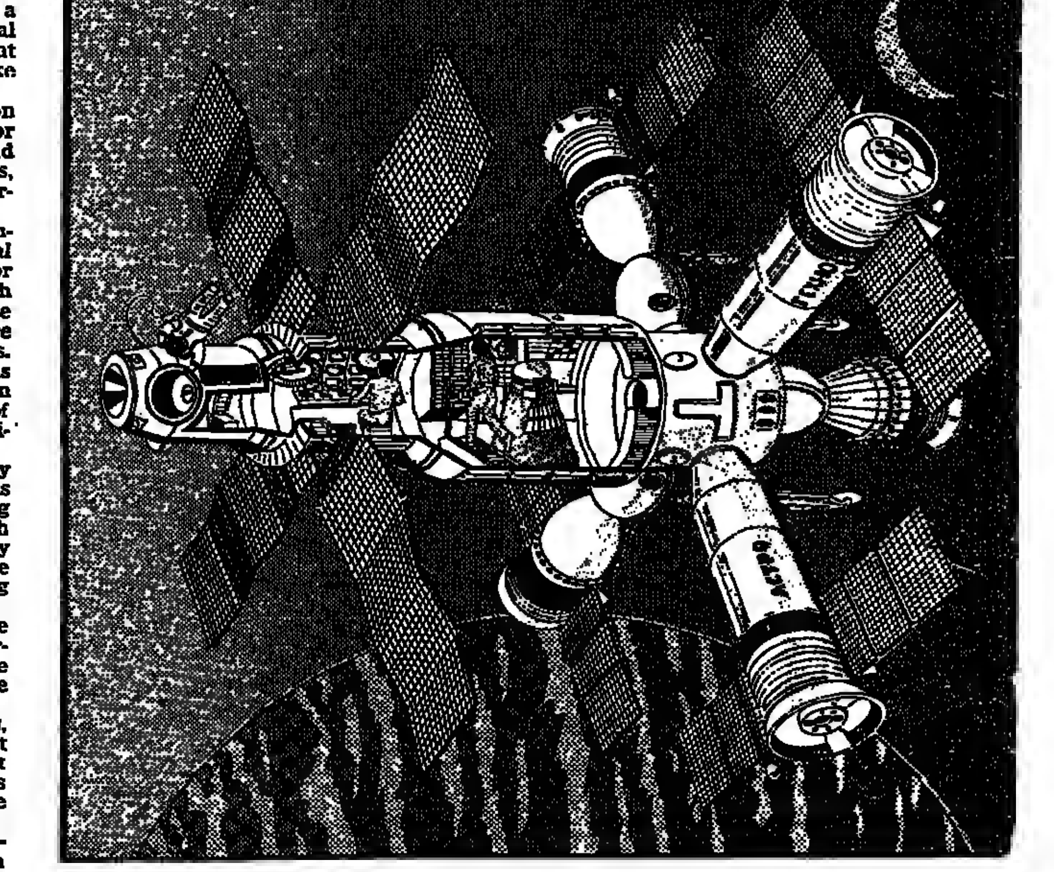
Under current arrangements, there are two kinds of Soviet spacefarers. The first visit space stations for long periods of several months. They are normally in teams of two.

The second type of cosmonaut stays in space for only a week or so, during which the "long-stay" spacefarers act as their hosts. Up to three of the short-stay cosmonants visit the space station at a time.

Both kinds of spoce adventurer travel to the orbiting station in Soyuz capsules injected above the atmosphere by rocket. The capsules dock at the ends of the Salyut base. The cosmonauts also use them to return to Earth.

With this procedure, the space station is occasionally left empty. A departing long-stay crew "mothballs" tbe base, deactivating equipment and so on, leaving another team to start up the station perbaps a month or two later.

No one is aboard Salyut 7 at present. Mr Vladimir Lyakhov and Mr Alexander Alexandrov, the last set of cosmonauts, left the station on November 23 after a stay of 149 days. A new crew is expected to re-enter the station in January or February.



Source drawing: Peter Smolders

Soviet engineers want to place in orhit over the next conple of years a hig, new space station

It would be useful operationally for the Soviets to keep one oc two people in space all the time. There would be no waste of time as experiments ara stopped and then restarted. A permanent preaence in the heavens would also carry propaganda value.

All the signs are thot the Soviet Union intended to test this strategy three months ago. It seems that flight controllers wanted to cbange over two long-stay crews on Salyut 7, without a break in occupancy.

But Mr Vladimir Titov and Mr Gennadiy Strekalov, who were to have relieved Mr Lyakhov and Mr Aleksandrov, suffered a cruel misfortune. Their rocket exploded on the launcb pad as they were due to leave the Tyuratam cosmodrome on September 26.

The pair ejected to safety, leaving Mr Lyakhov and Mr Aleksandrov to soldier on in Salyut 7 for longer than flight controllers had intended.

Another sign that the USSR is planning something new was the connection earlier this year to one of Salyut 7'a docking ports of a large capsule. This was probably o prototype of the modules thst will feature in the next generation of space stations.

Cosmos 1443 spent several months linked to the station. About as big as the core of the Salyut itself, it increased the mass of the total space complex to about 50 tonnes.

Cosmos 1443 comprised two sections. The first, in effect, was a big extra room that added extra facilities to the Salyut. For instanre, this contained its own bardware for propulsion, life-support and electricity.

The second part of the spacecraft was more significant. It waa a return capsule that came back to Earth in the autumn. The vehicle landed, as normally bappens with Soviet spacecraft, with psrachutes to hreak its fall througb the lower stages of the atmosphere.

The return capsule transported to the ground a cargo of documents and resesrch materials from experiments on the space station.

The Soviets have relied on unmanned Progress capsules to take goods up to their space stations. But apart from the Soyuz capsules, whose main job is to carry people, they bave previously had no way of returning material from space to Earth.

The Soviet Union never publishes figures on the cost of its space stations, which must run into billions of dollars. But Mr Peter Smolders, o specialist on Soviet space affairs who lives in the Netherlands, points out that the Soviets have an evolutionary opproach to space technology which may keep costs down.

"The Soviets' efforts in space are always an extension of what they bave done previously. The U.S., by contrast, seems to start eacb new project with a blank piece of paper."

US designs for the 1990s ready

SPACE ENGINEERS in the U.S. have completed the design of the orbiting station that they bope will see aervire in the 1990s. Dr Robert Freitag, an official of the National Aeronautics and Space Administration, says he hopes to receive government approval for the $8 billion venture by the end of January.

Dr Freitag is depnty director of a Nasa task force that, over the past 18 months, bas drawn up plans for the station. The team bas talked to government officials, industrialists and scientists to determine uses for the station, which would be in orhit some 300 kilometres above the Earth and have s permanent crew of six to eigbt people.

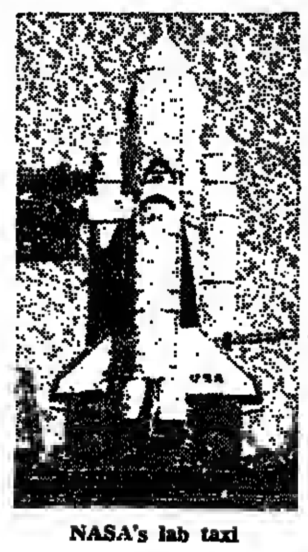
One of the main applications for the hardware would be as a centre from which to maintain or repair sstellites. Such servicing work could proloog the lives of expensive spacecraft which normally run out of fuel or suffer technical faults after a maximum of 10 years.

The station would contain cameras that take high-resolution pictures of the Earth. The orbiting hardware could also house laboratories and manufacturing fscilities. These would be more advanced versions of the equipment taken into orbit in the first Spacelab mission which bas just finished.

Spacelah is the world's first re-usable space laboratory, built by the 11 nations of the European Space Agency.

The plans for the space platform are Nasa's answer to efforts hy the Soviet Union to establisb a permanent base in the heavens. The USSR bas placed in orbit seven stations, tbe last of which, Salyut 7, is still circling the Earth. In these, cosmonauts have lived and worked for np to seven months at a time.

If President Reagan approves Nasa's plans, the American station could receive its first astronauts in 1991. Dr Freitag said he hopes detailed design work will start by the end of next year. Construction would begin in 1985 or 1986.



NASA's lab taxi

Dr Freitag was speaking in London recently at a conference on the industrialisation of spare organised hy the Royal Society.

According to Dr Freitag, the spsre station would comprise separate modules for different applications. The modules would be ferried into orbit by a space shuttle and linked up later.

Governments in Western Europe, Canada aod Japan may decide to join the project, for instance by providing specific parts of the station. In this way, West Germany, whicb has played the biggest part in building Spacelab, could manufacture further units of the orbiting laboratory to form living quarters for the American space base.

SATELLITES

Software for sensing

OWNERS OF personal computers will be able to process data from remote-sensing satellites to provide information ahout crop growth of geology. That is the promise of an American company which sells programs for interpreting the data from outer space that will run on cheap macbines.

Loats Associates in Westminster, Maryland, sells software packages thst will make sense of data sent by the U.S.'s Landsat vehicles. Tbe programs combine the information from the satellites with data already collected from Earth-bound surveys.

With the programs, people can answer questions about, for example, how well wbeat is growing in a particular part of the U.S.

The company sells two software packages for U.S.$100,000 esch. These evaluate information reloted to agriculture and minerals resources.

The programs work with informatioo sent from the thematic mopper, a sensor on Landsat 4 which is in orbit. This vehicle is only partially operating and will he replared by a new Landsat in the spring.

According to Loats Associates, the programs will run on an IBM personal computer that costs U.S.$4,500. Further, they require only low-resolution data from space. This information comes in the form of photographic prints that the American Government aells for about U.S.$40.

Conventionally, people wbo process data from remote-sensing vehicles require big computers that may cost up to $100,000. Also they need as the source of the information computer tapes which contain much more data than the simple photographic prints.

A tape derived from signals sent to Earth hy the thematic mapper is highly sensitive. A customer would have to pay the American Government about U.S.$3,000 for a tape of data relating to a section of the Earth of 34,000 sq kilometres.

Harry Loats of Loats Associates

Micro supermarket alert

THERE ARE 645 different personal computer products heing made hy 174 manufacturers and it may not be long before they are being sold door-to-door by salesmen, rather like encyclopaedlas.

Tbese and other prospects are contained in a new report from Strategic Incorporated wbicb claims that inadequacy of distribution is a real prohlem.

Strategic expects the number of PCs sbipped worldwide in 1982 (2.25m) to double by 1985. "Thus" it says, "new channels will have to be developed to make up for the current sbortcoming as well as provide for the expected expansion."

Another possibility is the "PC supermorket" whicb collects under one roof o variety of hardware and software sold hy the representative of eoch system.

More likely to succeed however, will be the national or regional broker sales force. Io this case, individual salesmen call directly on end users witb complementary product lines from different manufacturers. Systems houses, too, could be effective distributors, especially those specialising in supporting the operating divisions of large companies using micros as intelligent networking stations tied to a large company mainframe.

Microcomputer Distribution—the Key Issues. Price U.S.$970, from Interoational Planning Informatioo, Nordre Riogvej 201, 2600 Glostrup, Denmark.

UK COMPANY NEWS

Superdrug maintains growth rate at 28%

MAINTAINING a profit growth rate of around 28 per cent Superdrug Stores achieved taxable profits of £2.09m, against £1.64m, in the third quarter, pushing the nine-month total up from £3.89m to £4.97m.

Turnover of this toiletries retailer was also sustained at an expansion rate of around 23 per cent with £28.55m against £21.71m in the latest quarter, making £72.27m compared with £58.64m for the nine months.

The tax charge for the nine months to November 26 1983 was £2.14m (£1.67m) leaving an attributable surplus of £2.83m (£2.22m), an increase of 28 per cent.

● comment

Great things are expected of Superdrug. So a 28 per cent pre-tax profits increase—exactly in line with the previous two quarters—elicited hardly a flicker of interest from the market and the shares rose only 2p to 262p. For the time being, however, the Goldsteins are not under great pressure to flash their paper around. Cash flow should be adequate to finance a second warehouse, costing up to £6m, construction of which is planned to begin in the Midlands early next year. Meanwhile, selling space continues to grow vigorously, up 19 per cent on the previous period, bringing the number of stores to 173. Existing stores showed 5 per cent volume growth, which should accelerate in the current quarter, pointing to a full-year out-turn of perhaps £7m pre-tax. That still puts the shares on a fully-taxed multiple of 27, a 60 per cent premium to the stores sector. On an actual tax basis, the p/e drops to 23.

GrandMet rises £75m to £295.2m

FOLLOWING A jump in mid-term pre-tax profits from £74.8m to £113.6m, **Grand Metropolitan**, consumer services, brewing, foods, wines and spirits and hotels group, has pushed the figure up from £220.2m to £295.2m for the year ended September 30 1983.

Earnings per 50p share were 33.4p, compared with 27.3p, and the dividend is stepped up to 9.625p (6.375p) net with a final distribution of 5.75p. Also proposed is a one-for-five scrip issue.

External sales amounted to £4.47bn, against £3.85bn, and with trading profits of £407m (£354.6m), were divisionally split as to: UK—brewing £651.4m (£588.7m) and £73m (£68.5m); consumer services £1.05bn (£1.01bn) and £73.6m (£67.1m); foods £737.4m (£626.3m) and £31.5m (£35m); oil and gas £1.3m loss (£1.5m); U.S.—consumer products £864.4m (£595.5m) and £98.4m (£64.7m); International—hotels £301.4m (£256.3m) and £27.3m (£22.9m); wines and spirits £859.7m (£768.5m) and £104.5m (£98.1m).

The directors say that the improvement in the trading surplus stemmed particularly from the U.S. and international sectors. The group is now "firmly established in international markets and its overseas operations accounted for 44 per cent of the year's trading profit," they state.

In the UK, brewing achieved a further improvement and enjoyed the benefit in the second half of increased levels of demand during a spell of hot summer weather.

Consumer services also made progress and the increase in trading profit for the year would have been still higher but for the incidence of substantial reorganisation costs in the licensed retailing and leisure operations.

A lower profit in the foods activity, however, reflected continuing pressure on margins for manufacturing dairy products as well as the heavy cost of commissioning a new type of cheese plant at Ruyton and the expense of introducing integrated distribution facilities for the whole of the product range.

In a relatively buoyant economy in the U.S., further significant advances were made by almost every operating company. A 31 per cent increase in the trading profit of the consumer products activity expressed in U.S. dollars was accentuated on consolidation by the beneficial effect of translation into sterling at low rates of exchange, directors explain.

In the international sector, hotels earned a higher trading profit in a year when the integration of the group's original portfolio of hotels into Inter-Continental was substantially completed. A number of London hotels were sold and the proceeds reinvested in new hotel developments in the U.S. and elsewhere.

Wines and spirits reported a trading profit of more than £100m for the first time. The new brands developed in recent years proved their strength in the market place, against a background of pressure on consumer spending in most of the world's major markets, directors state.

Interest charges, down from £134.6m to £111.8m, were attributable more to the generally lower level of interest rates than to the reduction in borrowings arising from the rights issue last year, directors point out.

Tax charges were £27.3m higher at £89.6m and after minorities and preference payments the attributable balance came through at £200.6m, compared with £151.4m.

Directors estimate that the net effect of extraordinary items will be a surplus of £7.2m—currency gains £8.3m, profits on sales of properties and investments £9m, less losses arising from closures and other material capacity reductions of £10.1m.

On a current cost basis pre-tax profits were reduced to £264.8m (£183.4m) and earnings per share to 28.5p (20.9p).

See Lex

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Bankers' Investment ...	1.76	Feb 23	1.25	4.16	5.93¶
James Crean ....int	4.13‖	Feb 8	—	—	—
Cronite	Nil	—	0.8	Nil	1.5
Electric Gen Inv ......int	1.35	Feb 9	1.1	—**	2.85
Grand Met	5.75	April 9	4.88	9.63	6.38
Smith Bros† ....int	1	Feb 17	1	—	3
Turnbull Scott ....int	3	Jan 19	3	—	6

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted companies. ¶ For 18 months. ‖ Irish pence. ** Same-again final of 1.71p forecast.

Cronite loss jumps to £1.23m—no dividend

SECOND half losses of £648,000, against £160,000, were suffered by the Cronite Group, investment holding concern, which lifted the loss for the full year ended September 30 1983 to £1.23m pre-tax, compared with £80,000 previously.

However, management accounts for the first two months of the current year show that all subsidiaries and the group as a whole are trading profitably

There is no dividend for the year, compared with 1.5p last time which included a final of 0.8p.

Turnover was little changed at £10.83m (£10.51m) for the 12 months, and the pre-tax figure was after interest of £328,000 against £277,000 and exceptional debits—bad debts—of £211,000 (nil).

Trading loss, amounting to £695,000 (£197,000 profit), comprised continuing businesses loss, £285,000 (£539,000 profit) and discontinued businesses £410,000 loss (£342,000).

There was no tax (£32,000) and loss per 25p share was 21.9p (2.8p).

The previously expressed optimism on export orders for the foundries proved to be unjustified, the directors state. Despite a second half recovery in Cronite Steels and Cronite Alloys, substantial losses were incurred in both the foundry companies.

With the assistance of external professional advisers, the board has conducted a major review of group operations.

As a result, it has embarked on a fundamental reorganisation including closure of the Birmingham Head Office with the bulk of its functions being relocated to Crewkerne.

Activity in the precision castings subsidiary which has lost £650,000 over the last two years, has been curtailed and negotiations are proceeding to sell the company as a going concern. The results for the year provide for the anticipated costs of closure and disposal and the board is satisfied that the provisions, made under extraordinary items, cover all foreseeable losses resulting from the reorganisation.

Extraordinary items debited £606,000, against £149,000, and for 1982-83 comprised provisions for costs of fundamental reorganisation of the group of £482,000, and a provision against diminution in the value of trade investment of £124,000.

The directors say that despite the substantial losses and provisions, the company is operating within its existing bank facilities and enjoys the support of its bankers and institutional debenture stock holders.

Apart from the appointment of Mr David Pinsent as chairman last October—Mr K. F. Ward retired from the board—Mr James Lindsay-German was appointed, last July, to the newly-created post of group managing director, and Mr Tom Honess, former chairman of Butterfield-Harvey, to the post of deputy chairman.

Associate loss hits Smith Bros. at halftime

AFFECTED BY losses from its associate pre-tax profits of **Smith Bros.** emerged little changed at £802,000 for the six months ended October 28. The dividend is held at 1p net per 25p share on enlarged capital.

The results for the half year have been announced earlier than usual to enable shareholders to be as fully informed as possible when considering the proposed association with N. M. Rothschild, the merchant bank.

Rothschild announced earlier this month that it was to pay £6.5m for a 29.9 per cent stake in Smith Bros., a leading jobber on the London Stock Exchange.

For the opening six months market conditions were mixed. Turnover rose by nearly £1bn to £2.84bn but taxable profits emerged at £802,000, compared with £811,000, after taking in a £141,000 share of associate losses, against profits previously of £226,000.

The second half has started "satisfactorily" although the directors say it is too early to forecast the results for the full year—pre-tax profits for 1982-83 totalled £3.48m (£28,000 loss) and a final dividend of 2p was paid.

Tax for the first half accounted for £410,000 (£476,000) after which earnings came through at 3p (3.8p) per share.

In his last annual statement, Mr A. J. Lewis, the chairman, said the group's strengthened balance sheet should allow it to maintain and improve its market position and to expand both domestically and internationally as opportunities arise.

Shareholders were told that trading over the first quarter had been encouraging, although it was impossible at the time to forecast results for the period ahead.

See Lex

Bond to underwrite Airship rights and take bigger stake

BY DAVID DODWELL

THE **Bond Corporation**, owned by Australian entrepreneur Mr Alan Bond, is expected to acquire a stake of between 25 and 50 per cent in **Airship Industries** in the wake of a £7m rights issue unveiled yesterday.

Mr Bond, who shot into the limelight this summer when his yacht Australia II snatched victory from the U.S. in the Americas Cup, has agreed to underwrite the issue.

Airship Industries has struggled to get off the ground since it was launched on the Unlisted Securities Market in March this year after a £5m rights issue. Losses for the first half of the current financial year amounted to £2.32m, the company revealed yesterday. This compares with an expected loss of £1.5m, and with pre-tax losses for the 14 months to March 31 this year of £3.69m.

Mr Andrew Millar, the company's chairman, said yesterday in a circular to shareholders: "The greater-than-anticipated loss has seriously affected our planned cash flow, to the extent that new funds, in addition to the present increased facilities afforded us by our principal clearing bank, are immediately required."

The rights issue in February was only 63 per cent subscribed. Since then, Airship's share price has slipped from a flotation price of 140p to 90p yesterday — 3p below the price at which shares were suspended on Monday.

The rights issue will take the form of an offer of 12.57m units, with each unit being made up of one 1p redeemable preference share, and one unit of 12 per cent convertible loan stock 1986-90 at 55p. The units will be issued at a price of 56p per unit. It will result in a doubling of the voting equity in the company.

Mr Millar commented: "Present shareholders have a straight choice. They either allow Mr Bond to acquire cheaply a holding in the company, or they come in to support the company themselves."

At the same time he made it clear that Mr Bond would be "disappointed" if he did not as underwriter come to control at least 25 per cent of Airship's expanded share capital.

Mr Millar blamed three factors for the company's disappointing performance:

- Modifications to the Skyship 500 series required more time than expected. There were also delays in obtaining a certificate of airworthiness.
- Failure to establish a Canadian subsidiary, and to raise funds in Canada. Fresh negotiations will begin in January.
- Delays in certification led to delays in generating revenues at a time when outgoings were heavy.

Mr Millar nevertheless indicated that improvements were afoot. Six contracts had been completed, including one with Dentsu, the Japanese advertising agency, to provide aerial television coverage of the Los Angeles Olympics. This contract, signed late in November, is worth $1.5m (£1.05m).

As part of the deal with Bond Corporation, a Perth-based company which has major energy interests in Australia as well as owning the Swan Brewery, Mr Bond can, over the next six months, take up an option to make and sell Skyships throughout Australia and the Pacific rim. He also has an option to buy a Skyship 600, the new-generation Skyship, which has yet to fly.

Mr Bond and two other Bond Corporation directors are to join the board of Airship Industries. Full details of the arrangement will be put before shareholders in a circular to be sent out on January 26, Mr Millar said.

Edward Jones cash call for acquisitions

Edward Jones Group, the building contractor and property developer, is calling on shareholders for £1.37m in a rights issue of two ordinary shares for every three held, and 10 ordinary shares for every £3 nominal of loan stock 1996-98, at 32p per new share.

The £1.23m net proceeds of the issue will be used to provide finance for the acquisition of further property and related investments, and for working capital.

Yesterday, Edward Jones' shares fell 5p to 40p.

The company has conditionally contracted with Woodbourne Company (Jersey) to acquire the issued shares of Raz Investments and Mannez Investments, two companies whose principal assets are a 15 per cent interest in the share capitals of IHG (International Hospitals Group) and IHG (Medical Services) respectively.

The price payable for Raz and Mannez is estimated at £1.5m. An initial payment of £400,000 will come from the proceeds of the rights issue. Edward Jones has also negotiated the purchase, subject to shareholders' approval, of two nursing homes in the south of England at a total price of £660,000.

The company is also proposing to cancel its loan stock in exchange for the issue of ordinary shares at an improved conversion rate. The current rate is five ordinary shares for every £1 nominal of loan stock and the proposed improved rate is 11 for every £2 nominal.

There is £429,573 nominal of the loan stock outstanding, which on conversion at the improved rate would result in the creation of 2.36m new ordinary shares.

The company has also announced its results for the first half of 1983. Turnover is £1.75m (£1.38m) and the trading losses are £8,000 (£63,000). After profits on the sale of property of £38,000 (nil) pre-tax profits emerge at £30,000 against losses of £63,000. As before no tax is payable. Following an extraordinary debit of £8,000 (£25,000), net earnings per share are given as 0.7p (losses 1.47p).

Turnbull Scott shows profit in first half

With the inclusion of a first-time contribution from Securikey, acquired in July, **Turnbull Scott Holdings** returned to profits in the half year to September 30 1983.

Trading profits of £592,000, compared with losses of £950,000, were achieved on lower turnover of £8.51m against £10.58m. At the taxable level the surplus was reduced to £140,000 (loss £1.72m).

The interim dividend is held at 3p and will absorb £30,000 (same). Last year's final payment was 3p (2p) when a pre-tax loss of £2.33m (£1.84m) was incurred.

Tax for the opening period was the same at £13,000 and minorities took £12,000 (£1,000) leaving a net profit before extraordinary items of £115,000 (loss £1.73m). This profit, which includes a £74,000 foreign exchange gain, illustrates the benefits of ship sales, the directors say.

Below the line, extraordinary items added £640,000 (£3.79m), being net surplus on the disposal of ships £775,000 (£3.78m) and other £135,000 debit (credit £15,000). After dividends the retained surplus was £725,000 (£2.03m). Earnings per share are stated as 12p.

Electric and General

Profits of **Electric and General Investment Company** rose from £311,904 to £427,796 for the six months to November 30 after tax of £243,347, compared with £151,842. The interim dividend is being increased by 0.25p to 1.35p net per 25p share and a same-again final of 1.75p is forecast.

Gross income totalled £1.13m (£649,892) and interest and administration costs rose to £453,915 (£186,146). The directors say the incidence of dividend and interest payments resulted in a higher proportion than before of income arising in the first half

Earnings emerged at 2.36p, against a previous 1.72p.

Reardon Smith back in black but trading 'bleak'

Reardon Smith Line, Cardiff-based ship operator, has turned in taxable profits of £468,000 for the half year ended September 30 1983 compared with losses of £2.77m, but directors say the turnabout has only occurred because of the agreement reached on chartered-in tonnage.

Losses allocated to the memorandum account for the period amount to £2.6m.

The directors say that the trading position remains bleak and there is no sign of any substantial recovery in the immediate future.

However, they add that there are indications of an upturn in the world economy and it is hoped that this will result in an improvement in the movement of dry cargo, with a resultant benefit in freight rates.

For the whole of the year ended last March, the group suffered pre-tax losses of £8.79m, against £129,000.

Turnover for the six months to September was much lower at £1.8m, compared with £7.3m, and the trading loss, £726,000 (£2.31m) comprised bulk carriers £726,000 (£2.27m) and tankers £48,000 last time.

Vessel sales contributed £1.61m, against £1.5m, and investment income was £158,000 (£192,000).

The pre-tax figure was after depreciation of £459,000 (£828,000), interest payable, well down at £316,000 (£924,000) and was subject to an exchange loss, last time, of £390,000.

Highgate & Job confident of profits for full year

INTERIM LOSSES at **Highgate & Job Group** were reduced from £63,000 to a near breakeven £2,000 and the directors have reaffirmed their previous forecast of a return to profits in the current year.

They say that the results justify their continued confidence in the group's potential. Losses in the oil and chemical divisions were lower at £14,000, against £80,000, in the six months to September 30 1983. However, profits in the protein operation fell by £6,000 to £20,000.

Group turnover for the period was static at £3.19m, and the taxable result was struck after exceptional charges of £2,000 (£3,000).

At the attributable level the loss emerged down at £9,000 compared with £77,000 after extraordinary charges of £7,000 (£14,000). There was again no tax payable.

In the year to last March a reduction in the oil division loss was largely reponsible for a cut in the group's taxable deficit from £261,227 to £165,516.

Shareholders are still without a dividend payment, the last being in 1978.

Peachfield, controlled by Mr Mark Watson-Mitchell, yesterday acquired a further 92,808 Highgate ordinary, lifting its total stake to 275,848 (29.99 per cent). The shares were purchased from Highgate's chairman Mr M. E. Constable.

William Boulton

At the trading level first-half profits of the **William Boulton Group** are expected to show an improvement of between 25 and 30 per cent but after all charges, including exceptional items, the figures will be similar to those of the previous year.

Revealing this at the AGM Mr Denis Fahey, the chairman, told shareholders that it was the directors' belief that the trading outlook was improving

Aitken Hume rights response disappointing

By William Dawkins

The £16.8m rights issue by **Aitken Hume Holdings** has met with a disappointing response.

Of 12.38m new ordinary shares offered, only 5.04m have been taken up. A further 1.8m were provisionally allotted to companies in which directors of Aitken Hume have a beneficial interest.

The underwriters have been called on to take up the balance, representing 59 per cent of their commitments. Arrangements have been made for shares which have been taken up by certain underwriters who do not wish to retain them to be placed with shareholders who wish to hold them for investment purposes.

Mr Michael Scorey, a director, said: "It was an extremely heavy rights issue. A number of institutional shareholders said they were not able to take up the full amount of their rights, and smaller investors felt unable to put large amounts of money into the company."

The issue, made on the basis of three new 25p shares at 140p per share for every two shares already held, is to fund the bulk of Aitken Hume's agreed £32.6m (£22.8m) bid for National Securities and Research Corporation (NSR), a U.S. investment fund management company.

The deal will give Aitken Hume its first direct U.S. presence and further strengthen its position in North America. Last September, it acquired a 29.6 per cent stake in a Canadian investment company, HCI Holdings, which is quoted on the Toronto Stock Exchange.

"In retrospect, we would have preferred to finance the takeover of NSR in another way, such as by purchasing an investment trust," said Mr Scorey. But the requirements of the U.S. Security and Exchange Commission meant there was not the time to follow that route.

Aitken Hume's shares fell 3p yesterday to 137p, capitalising the company at £30m.

Sutcliffe Speakman

Net losses of Sutcliffe Speakman were reduced from £159,000 to £124,000 in the half year to September 30 1983, on a lower turnover of £2.75m, against £2.92m.

At the operating level, profits rose by £19,000 to £32,000, before charging bank and loan interest of £136,000 (£151,000). The directors say the second half will have the benefit of engineering plant deliveries, resulting in an overall profit, after interest, for the year.

For the 12 months ended March 31 1983, the company made a net profit of £141,000 and earnings per 25p share were 3.7p No dividends, however have been paid since 1979.

First-half results of Sutcliffe Speakman Carbons were adversely affected by carbon plant breakdowns, but operations of Sutcliffe Speakman Engineering showed a considerable improvement.

Sumrie Clothes

Although losses before tax of Sumrie Clothes rose by £60,000 to £94,000 over the six months ended October 1 1983 the directors believe the group will return to profitability by the year end.

They explain that the trading position of the manufacturing company is proving reasonably healthy and that turnover is now almost 10 per cent up on last year. This percentage should be maintained, and possibly increased—turnover for the opening half rose to £1.34m (£1.26m). The loss included an exceptional debit of £16,000 (nil).

Earlier this year Mr H. Tillman, now vice-chairman of the group, mounted a cash offer for Sumrie, in concert with others. The concert party gained control of 50.06 per cent of the shares.

James Crean

James Crean, which has interests in beverages, electrical products and confectionery, raised its pre-tax profits by I£547,000 to I£1.02m over the six months to end-June, 1983 and the directors expect the second half to be better than the first. An interim dividend of 4.125p net is being paid.

Turnover slipped from £41.65m to £41.27m. Attributable profits emerged at £674,000 (£339,000 loss) after tax of £254,000 (£305,000) and minorities of £89,000 (£111,000)—last time extraordinary debits amounted to £393,000. Earnings rose to 5.89p (0.52p) per 25p share.

The group's overall position has strengthened over the past year. Because of a change in its financial year the directors have decided to adopt a dividend policy in which the amount of dividend paid at the interim stage would be approximately equal to the amount of the final.

Victoria Carpet up 50% but warns on second half

FIRST HALF pre-tax profits of **Victoria Carpet Holdings**, Kidderminster-based carpet manufacturer, expanded 50 per cent from £100,242 to £150,377, but because of uncertainties of the second half's outcome there is again no interim dividend.

The directors explain that in recent years the second six months has failed to live up to the promise of the first. This has discouraged them from resuming payment of an interim distribution, but they hope, however, to improve on the token amount of the last two years when they consider the final.

Last year's single payment was 0.2p (0.15p) and the company suffered pre-tax losses of £39,024.

Turnover for the six months moved ahead to £10.78m, compared with £8.83m, with the UK company increasing its contribution by 37 per cent. The directors say there was more optimism in the market place during the period, but in addition this side benefited from the continuing investment in product development and marketing effort to increase market share.

In Australia, where market conditions were still difficult, turnover was increased by 10 per cent and, with lower interest rates and stringent control of overheads, there was a profit. This is compared with a "sharp reverse" suffered in the second half of 1982-83.

There was no tax this time (£30,000).

BASE LENDING RATES

A.B.N. Bank	9 %	■ Hambros Bank	9 %
Allied Irish Bank	9 %	Heritable & Gen. Trust	9 %
Amro Bank	9 %	■ Hill Samuel	§ 9 %
Henry Ansbacher	9 %	C. Hoare & Co.	† 9 %
Arbuthnot Latham	9 %	Hongkong & Shanghai	9 %
Armco Trust Ltd.	9 %	Kingsnorth Trust Ltd.	10 %
Associates Cap. Corp.	9½%	Knowsley & Co. Ltd.	9½%
Banco de Bilbao	9 %	Lloyds Bank	9 %
Bank Hapoalim BM	9 %	Mallinhall Limited	9 %
BCCI	9 %	Edward Manson & Co.	10 %
Bank of Ireland	9 %	Meghraj and Sons Ltd.	9 %
Bank Leumi (UK) plc	9 %	Midland Bank	9 %
Bank of Cyprus	9 %	■ Morgan Grenfell	9 %
Bank of Scotland	9 %	National Bk. of Kuwait	9 %
Banque Belge Ltd.	9 %	National Girobank	9 %
Banque du Rhone	10 %	National Westminster	9 %
Barclays Bank	9 %	Norwich Gen. Tst.	9 %
Beneficial Trust Ltd.	10 %	R. Raphael & Sons	9 %
Bremar Holdings Ltd.	9 %	P. S. Refson & Co.	9 %
Brit. Bank of Mid. East	9 %	Roxburghe Guarantee	9½%
■ Brown Shipley	9 %	Royal Trust Co. Canada	9 %
CL Bank Nederland	9 %	Standard Chartered	‖ 9 %
Canada Perm't Trust	10 %	Trade Dev. Bank	9 %
Castle Court Trust Ltd.	9½%	TCB	9 %
Cayzer Ltd.	9 %	Trustee Savings Bank	9 %
Cedar Holdings	9 %	United Bank of Kuwait	9 %
■ Charterhouse Japhet	9 %	United Mizrahi Bank	9 %
Choulartons	10½%	Volkskas Intnl. Ltd.	9 %
Citibank Savings	¶10½%	Westpac Banking Corp.	9 %
Clydesdale Bank	9 %	Whiteway Laidlaw	9½%
C. E. Coates	9½%	Williams & Glyn's	9 %
Comm. Bk. of N. East	9 %	Wintrust Secs. Ltd.	9 %
Consolidated Credits	9 %	Yorkshire Bank	9 %
Co-operative Bank	* 9 %		
The Cyprus Popular Bk.	9 %		
Dunbar & Co. Ltd.	9 %		
Duncan Lawrie	9 %		
E. T. Trust	9½%		
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	10½%		
Robert Fraser	10 %		
Grindlays Bank	‡ 9 %		
■ Guinness Mahon	9 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 5.5%, 1-month 6%. Short-term £8,000/12 months 8.1%.
† 7-day deposits on sums of: under £10,000 5¾%. £10,000 up to £50,000 6½%. £50,000 and over 7½%.
‡ Call deposits £1,000 and over 5½%.
§ 21-day deposits over £1,000 6½%.
‖ Demand deposits 5½%.
¶ Mortgage base rate.

Ault board agrees £4.7m cash offer from Sun Chemical

BY RAY MAUGHAN

Ault & Wiborg, the speciality chemicals, inks and paints manufacturer, has revived merger discussions with Sun Chemical, its principal shareholder.

While the first round of talks was halted in the summer when the two sides failed to agree a price, A & W is now accepting a £4.7m cash offer from Sun, a leading speciality chemical group based in New York.

The terms value each A & W share at 46p, which compares with net assets of 75p per share in the December 1982 balance sheet and a market price of 44p yesterday, up 11p, when dealing was resumed after suspension.

Sun has had a long-standing trading relationship with A & W and has also built up its holding in several stages to the point where it now stands at 48 per cent of the ordinary capital.

The independent directors, advised by Kleinwort Benson, said that they consider the terms to be fair and reasonable and intend to accept the offer in respect of their aggregate 0.7 per cent holding.

Mr Christopher Strang, the chairman of A & W, said yesterday that the merger with a very much larger speciality chemical group was welcomed because the board's plans for the future required significant spending which A & W could not meet from its own cash flow.

Restructuring of the ink manufacturing business in the past few years had been a costly process which has taken net debt to over 90 per cent of shareholders' funds.

A & W was in loss before tax for the first half of 1983 and Mr Strang said that it would have been difficult to fund the development of "really quite exciting new products," notably those in the detergent additives field, through a rights issue.

Take no action—Maynards

THE board of Maynards, the confectionery and toy chain, yesterday repeated its opposition to the partial bid for the company recently launched by ex-supermarket chief Mr Lewis Cartier.

Mr Cartier's formal offer document, bidding for 51.8 per cent of Maynards' ordinary at 250p in cash, was posted to Maynards shareholders on Tuesday.

As previously announced, Mr Cartier states that he is making a partial offer because he wishes Maynards to remain a listed company. He also proposes to sell off the CTN (confectionery, tobacco and news) retailing division and the confectionery manufacturing division, retaining only the Zodiac chain of toy shops.

The Maynards board says that it is considering the document, and will be writing to shareholders as soon as possible. In the meantime, it continues to believe that the partial offer is not in the best interests of Maynards shareholders or employees, and advises shareholders to take no action.

Maynards shares closed yesterday 15p up at 285p.

Courtaulds/Intl. Paint

Courtaulds has agreed terms for the acquisition of the 8.99m (12.22 per cent) ordinary shares in International Paint that it does not already own.

For every three International Paint ordinary 25p shares Courtaulds is offering five of its 25p ordinary.

The value of the minority shareholding is put at £18.9m, based on the December 21 price of 126p per Courtaulds ordinary, which values the whole of International at £154.5m. Taking a pre-suspension price of 150p per share for International the terms of the offer represent an increase in capital value of 40 per cent.

* * *

The acquisition by Bunge and Co. of J. Bibby Edible Oils is not to be referred to the Monopolies and Mergers Commission under the provisions of the Fair Trading Act 1973.

COMPANY ANNOUNCEMENT

EAST RAND GOLD AND URANIUM COMPANY LIMITED ("ERGO")

(Incorporated in the Republic of South Africa)

ARRANGEMENTS WITH EAST DAGGAFONTEIN MINES LIMITED—THE TREATMENT OF CERTAIN SLIMES DAMS ON THE FAR EAST RAND AND THE ERGO TAILINGS DAM

This company and East Daggafontein Mines Limited ("EDM") issued a joint announcement on the above subject on July 1 1983 concerning the treatment of slimes dams on the Far East Rand.

Since that date this company and EDM have reached more detailed agreement in principle on a scheme, the implementation of which is (inter alia) dependent upon the passing of certain resolutions which members of EDM will be asked to consider at a general meeting of that company convened for January 16 1984. Subject to the passing of such resolutions, it is envisaged that formal agreements between Ergo and EDM (and in certain cases, other parties) will be entered into almost immediately thereafter.

In terms of the new scheme, all twelve of the slimes dams considered in the feasibility study are to be rationalised in a single dump owning company, Dumpco, which is to be a wholly-owned subsidiary of EDM. Ergo is to erect the one million ton a month Daggafontein plant to treat the material contained in all but one of the twelve dams at a cost of R118 million in escalated terms. The carbon-in-leach process will be employed initially and it is envisaged that the plant will be converted to the flotation process in the late 1990s. The remaining dam is to be treated in the Ergo carbon-in-leach plant. To preserve this dam for treatment, a new tailings dam is to be built for the Ergo plant residues at a cost of R31.5 million in escalated terms. In addition to the above arrangements, Ergo is to acquire Dam 5L26 from a subsidiary of EDM for 375 000 Ergo shares.

The board of Ergo proposes to finance the after-tax capital cost of the Daggafontein plant, the new tailings dam and Ergo's carbon-in-leach plant from internal sources, by selling a slimes dam and the rights to other slimes dams to Dumpco for R24.6 million and by raising funds in the form of convertible debentures offered to all ordinary shareholders on terms to be announced after the agreements with EDM have been signed.

Members of Ergo are advised that a detailed announcement in regard to the proposed scheme and the Technical Advisers' report is being posted to them at their addresses as recorded in the company's register of members. Copies of this announcement will be made available to other persons on application to the company's United Kingdom transfer secretaries, Charter Consolidated P.L.C., Charter House, Park Street, Ashford, Kent TN24 8EQ.

Johannesburg
December 23 1983

Hawley buys stake in Birmingham stockbroker

BY RAY MAUGHAN

Hawley Group, the hub of a fast expanding network of quoted industrial subsidiaries and associates, yesterday joined the reorganisation of the financial services sector by taking a stake in a stockbroking firm. At the same time, it announced proposals for a significant injection of assets into Nu-Swift Industries, its fire protection affiliate.

Mr Michael Ashcroft, the chairman of Hawley, explained that the proposed acquisition of a 29.9 per cent stake in the five partner Birmingham firm of Fyshe, Horton, Finney and Co, with the equivalent share of its profits, "means that we are laying our marker down."

The firm used to represent Hawley Goodall, camping equipment group, which formed the basis for Mr Ashcroft's rapid expansion and acquisition, until the brokership was taken over a few years ago by Capel-Cure Myers.

The Birmingham firm still acts on a joint basis with CCM, for Kean and Scott, quoted bedroom furniture satellite within Hawley's orbit.

Hawley plans to expand in the financial services sector although Mr Ashcroft said: "We shall see how things break" before committing himself to any definite course of action. He was convinced that of the smaller stockbroking firms, only those with low overheads and a stable private client base will survive the upheavals in the financial community "when the going gets tough."

The Hawley network also takes in Procroft, a licensed dealer used for merger broking, which Mr Ashcroft used to underwrite the rights issue of Pineapple, the USM dance company where Hawley has a stake.

The group is also set to play a major role in the reorganisation of Nu-Swift Industries. Hawley joined Mr Gaston Murray, the sole shareholder in European Fire Protection, to form September Purchasing which took a 29.9 per cent stake in Nu-Swift at 44p per share.

Mr Murray and Mr Ashcroft joined the board and claimed yesterday to have produced a "more efficient and streamlined company." That was enough to take first-half profits this year up from £385,000 to £800,000 but the benefits of this rationalisation, they explained, "are essentially short term and do not alone form the basis for future expansion."

Accordingly, it is now proposed Associated Fire Protection, a French subsidiary of Mr Murray's European Fire Protection, will be merged with Nu-Swift.

The merger will be effected by the issue of shares to EFP which will result in control passing to Mr Murray, given the approval of Nu-Swift shareholders and the completion of audits of Nu-Swift and AFP for the year ending December 1983. The circular which will be sent to shareholders will also include an accountants' report covering the last five years' results from AFP.

Hawley has taken an option with Mr Murray, its partner in Security Corporation of America, whereby Hawley can increase its stake in the enlarged company to 20 per cent at the lower of the 67p Nu-Swift suspension price and the prevailing market price following completion.

Hawley will not pay for that stake until the second anniversary of completion and has the right to sell the option shares back to Mr Murray at the original option price, without penalty.

Royal Bank to confront Lloyds on share stake

The Royal Bank of Scotland has written to shareholders to advise them that it is seeking clarification from Lloyds Bank of its intentions following Tuesday's purchase by Lloyds of a further 4.97 per cent stake.

In his letter to shareholders Mr Michael Herries, Royal chairman says that the statement issued by Lloyds on Tuesday, "ignores our previously expressed willingness to sell our shares in Lloyds and Scottish to them at an appropriate price."

Lloyds Bank said that it was increasing its stake in Royal Bank to protect its known interest in achieving 100 per cent ownership in Lloyds and Scottish. Lloyds Bank currently has a 60.3 per cent stake in the finance house and Royal holds 39.26 per cent.

Mr Herries also points out to shareholders that the market in the bank's ordinary shares has become "even more volatile" since Lloyds Bank appeared as a buyer, adding that the share price has "risen substantially" above that paid by Lloyds. Royal shares closed yesterday up 2p at 224p. Lloyds Bank purchased its shares at 205p on Tuesday.

Royal reaffirms that the bank has received "no bid approaches whatever." But he adds that the bank's directors "feel bound" to draw shareholders attention to the present uncertainty as to Lloyds intentions.

Approval for Anglo-Scot. fund management change

Shareholders of Anglo-Scottish Investment Trust approved the controversial decision to shift the trust's management contract in CS Investments at a seven-minute meeting yesterday.

The Anglo-Scottish board, which dismissed Gartmore Investment Management in favour of CS Investment in early October, mustered support from nearly 16m proxy votes with only 2.6m against ahead of the meeting.

The decision to switch managers without first consulting its shareholders led to complaints from a number of institutions.

Three institutions and fewer than 10 private shareholders voted against the plan, according to Mr Eric Crawford, CS Investment's sole representative on the Anglo-Scottish board.

He added: "We had no dissenting voices at the meeting at all after we announced the result of the proxies. The board was delighted with the support shown by small shareholders and the major institutions."

Commenting on the 14.6 per cent stake in the trust built up in recent weeks by Aspinall Holdings, the casino group, Mr Crawford said he had had "brief and friendly contacts" with the company.

"But no conclusions were arrived at and I don't know what their intentions are," he added.

Aspinall has described the purchase as part of its policy of active cash management for its surplus funds.

Anglo-Scottish shares eased 1p yesterday at 137p.

Reed Stenhouse

Reed Stenhouse has failed to win control of Stenhouse Holdings by the first closing date yesterday and while extending the offer to January 11, the Canadian insurance broker says it will not be increasing its £53m cash and equity offer.

Samuel Montagu, on behalf of Reed Stenhouse, announced that it had received acceptances for 13.87m shares, equal to 36.5 per cent of the equity of Stenhouse.

While the Stenhouse board has favoured the deal in principle it has rejected Reed's terms. Stenhouse holds 48.9 per cent of Reed Stenhouse's equity.

Ash and Lacy joint venture

Ash and Lacy, the West Midlands galvanising and steel group, is discussing a joint venture with BICC steel manufacturing subsidiary Balfour Beatty, it was announced yesterday. The plan is to set up a new hot dip galvanising company, Western Galvanising.

Under the proposals 75 per cent of Western Galvanising's business will be conducted at Ash and Lacy's existing plants in Birmingham, Telford and London.

The other 25 per cent will use the facilities at the Balfour Beatty-owned Painter Brothers plant in Hereford, which does light structural steel work. The new company is designed to provide constant work for the Hereford plant which is currently under-utilised.

David Fletcher, group managing director of Ash and Lacy, expects the deal to be finalised in January when the amount of money involved will be announced. No new jobs will be created as a result of the deal.

3i bid for Edith

Investors in Industry Group (3i) and Edith have reached agreement whereby the boards and their advisers Morgan Grenfell and Co., will recommend shareholders to accept the 57p cash per share offer to be made by 3i for the 60 per cent of Edith shares it does not already own. The offer values the company at £56m.

Accepting shareholders will have the right to elect to receive an equivalent nominal amount of loan notes, redeemable at par on three months' notice by the holder, instead of cash. The loan notes will carry interest at ½ per cent below three months' LIBOR and will be finally repaid on March 31 1984.

A second interim dividend of 1p per share will be paid to Edith shareholders upon the offer becoming unconditional.

Edith chairman, Viscount Caldecote and director H. J. Foulds have not participated in discussions as they are also directors of 3i.

BIDS AND DEALS IN BRIEF

Discussions are taking place between Wm Cory and Son and Stablex International Holdings whereby the Stablex business based at West Thurrock, Essex, would be transferred to Cory Waste Management—a Wm Cory subsidiary. Subject to the finalisation of contractual and other details, the companies expect that the transfer will become effective in early 1984.

* * *

Forminster has purchased for cancellation 25,000 ordinary shares at 151½p and 25,000 at 152p, representing in total approximately 1.3 per cent of the ordinary shares.

* * *

Hoover UK. has announced that the scheme of arrangement whereby the company is to become a wholly-owned subsidiary of Hoover U.S., which has been sanctioned by the High Court, has become effective.

* * *

John Brown Engineers and Constructors International and Devoe-Holbein International have formed a joint venture to promote and market equipment and systems worldwide to capture metals and combinations of metals from liquid solutions using Devoe-Holbein technology.

The extraction process is based on compositions which capture selected metals from solutions with extremely high efficiency.

The John Brown company is part of the worldwide engineering group of John Brown.

* * *

The scheme of arrangement to enable BTR to acquire the balance of Thomas Tilling issued ordinary shares became effective on December 21, following sanction by the High Court on December 19 and delivery to the Registrar of Companies of an office copy of the appropriate court order.

* * *

Mr G. McNamara has sold 591,862 ordinary shares of A and G Security reducing his interest to 2,861,100 shares (51 per cent). The shares disposed of have been placed, principally with institutional investors.

* * *

Stewart Nairn subsidiary, Nairn (Guernsey), has agreed to sell its 50 per cent interest in Al Hambra Villas, Sharjah, for a cash consideration of £1.35m. The group acquired the property in May 1982 for a sum equivalent to £820,379.

* * *

As at 2.30 pm on December 21 1983 Kennedy Brookes had received valid acceptances in respect of 1,492,265 ordinary shares of Wheelers Restaurants (99.48 per cent).

The offer remains open, and in March 1984 Kennedy Brookes intends to acquire compulsorily any outstanding shares.

BANK RETURN

BANKING DEPARTMENT

	Wednesday December 21 1983	Increase (+) or Decrease (—) for week
Liabilities	£	£
Capital	14,553,000	—
Public Deposits	43,850,945	— 502,648
Bankers Deposits	755,853,863	+ 105,918,075
Reserve and other Accounts	1,655,518,228	+ 8,197,941
	2,469,876,036	+ 113,614,368
Assets		
Government Securities	477,333,485	+ 6,873,801
Advance & other Accounts	956,887,370	+ 0,567,028
Premises Equipment & other Secs	1,028,626,450	+ 11,423,606
Notes	5,894,718	— 6,249,740
Coin	154,008	— 320
	2,469,876,036	+ 113,614,368

ISSUE DEPARTMENT

	£	£
Liabilities		
Notes issued	12,720,000,000	+ 560,000,000
in Circulation	12,714,105,282	— 562,249,740
in Banking Department	5,894,718	+ 6,249,740
Assets		
Government Debt	11,015,100	—
Other Government Securities	4,786,882,739	+ 98,820,865
Other Securities	7,899,109,161	+ 461,179,135
	12,720,000,000	+ 560,000,000

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interim:—Anchor International Fund.

FUTURE DATES

Interims:—

AIM	Jan 3
Ellis and Everard	Jan 11
Racal Electronics	Jan 17

Finals:—

Alexanders Discount	Jan 23
Eurotherm International	Jan 19
Manchester Ship Canal	Feb 13

Suter opposes plans for Francis loan conversion

PLANS BY Francis Industries, packaging, printed can and gear box components manufacturer, to convert loan stock into ordinary capital have been resisted by Suter Electrical, which holds a 24 per cent stake.

At an extraordinary meeting held on Wednesday to consider these proposals, Suter, refrigeration and air-conditioning group headed by Mr David Abell, called for a poll on two resolutions.

Francis explained that the conversion would strengthen the balance sheet and provide further scope for expansion by acquisition. However, Suter objected to these proposals and questioned the wisdom of buying out a medium dated stock, offering 9 per cent, at a premium to the prevailing price of ordinary shares.

Accordingly it called for a poll on the first resolution before the meeting, namely purchase of the unsecured loan stock 1994-99, and the sixth resolution which authorised the allotment of ordinary shares under the terms of conversion.

The poll will be held at the Institute of Chartered Accountants Hall between 3 pm and 4 pm on January 3 and Suter, which has persistently acquired shares in Francis, is confident that the group will not achieve the 75 per cent majority required by these special resolutions.

At the same time, Suter has strengthened its cash resources by selling 6 acres of land for £2m at Theale, Berkshire, which was surplus to the needs of its Prestcold business.

This contract is conditional on a satisfactory survey and formal planning consent being granted to the purchaser, a local industrial company, for the construction of premises for its own use. Completion is nevertheless envisaged by May 14 and Suter expects to realise a surplus of £1.8m before tax.

* * *

W. Canning, the chemicals, metals and electronics group, has completed the sale of W. Canning Jigs to Kleentech Holdings of Midhurst, West Sussex, for £40,000.

W. Canning Jigs is changing its name to Carr Jig and Engineering Services.

Ergo-E. Dagga big gold dump venture

BY KENNETH MARSTON, MINING EDITOR

A MAJOR joint venture for the re-treatment of old surface slimes (waste) mine dams for their gold content is proposed by South Africa's East Rand Gold and Uranium (Ergo), in the Anglo American Corporation group, and East Daggafontein Mines.

The scheme envisages 12 dams being taken over by Dumpco, a wholly-owned subsidiary of East Dagga. In order to treat the material from 11 of the dams Ergo is to erect a 1m tonnes-per-month plant at a cost of R118m.

The remaining dam will be preserved for later treatment. This will require a new R31.5m tailings dam to be built for the Ergo plant.

Ergo is also to acquire from an East Dagga subsidiary Dam 5L26 for 375,000 shares of Ergo. The latter were quoted at 497p in London yesterday.

A three-way plan is proposed by Ergo for financing the after-tax capital cost of the big new treatment plant, the new tailings dam and Ergo's carbon-in-leach plant.

Funds will come from internal sources; the sale of a slimes dam and rights to other dams to Dumpco for R24.6m; and via an offer of convertible debentures on terms which have yet to be announced.

Canada's Teck reduces its losses in 1982-83

CANADA'S Teck Corporation reports a total loss for the year to September 30 of C$17m (£9.6m), or 68 cents per share, compared with a loss of C$31.9m in the previous 12 months.

The latest loss includes an extraordinary debit of C$11m which arises mainly from a write-down of the Afton copper smelter in British Columbia following the decision to sell future copper production in the form of concentrates.

Mr David A. Thompson, vice president and chief financial officer, said that Teck continued to be affected by low copper prices at its two major copper mines, but the other main divisions — gold, silver, zinc, niobium, oil and gas—were operating at a profit.

He pointed out that at the working level there was a profit from operations of C$9.2m for the past year compared with a loss of C$12.1m in 1981-82.

While waiting for its major copper and molybdenum operations to return to profitability, Teck is looking forward to prospects for its Hemlo, Ontario, gold interests, notably the 55 per cent stake in a promising gold deposit there in a joint venture with International Corona Resources.

As reported on Wednesday, control of International Corona is being transferred from the Murray Pezim interests to Royex Sturgex Mining which is owned as to 41 per cent by the Campbell Resources group.

Ore reserves at the Hemlo property, which is shaping up to become one of the world's lowest cost gold mines, were last put at 11.9m tons grading 0.23 oz (7.2 grammes) gold per ton. It is due to reach the production stage in the first quarter of 1985 and Teck is committed to financing the C$70m proposition.

MINING NEWS IN BRIEF

Two drillholes do not make a mine, of course, but any good news from the Hemlo gold camp is taken seriously.

The Interlake property is a joint venture of Teck Corporation, International Corona Resources, Noranda, Goliath Gold Mines and Golden Sceptre Resources.

The joint venture companies can collectively earn a 100 per cent interest in the property, subject to a 40 per cent net profits interest which is reserved for Interlake.

Meanwhile, Dealings in the shares of Interlake Development Corporation have been suspended in Vancouver following the latest drilling at the Pezim group company's Hemlo area gold prospect. This is reported to have intersected two deep zones of mineralisation in which visible gold was present. Full assay results are expected early in January.

EAST DAGGAFONTEIN MINES, LIMITED

(Incorporated in the Republic of South Africa)

Directors: A H Lundin (Chairman), E W Bazinet, J M R Berardo, C I von Christierson, J H Craig, P R A Ferguson, L Klingmann, O'D S Redfern, K C Whyte.
Alternate Directors: C P Briggs, C E Dixon, A G Nettio

Company Announcement

PRELIMINARY ANNOUNCEMENT IN REGARD TO THE FORMATION OF DUMPCO LIMITED AND A PROPOSED RIGHTS OFFER OF SHARES

Introduction

On 1 July 1983, East Daggafontein Mines, Limited ("the Company") and East Rand Gold and Uranium Company Limited ("Ergo") published a joint announcement in the press giving details of an agreement which they had entered into relating to the treatment of certain slimes dams. Subsequent to that announcement, further discussions have taken place between the Company and Ergo as a result of which it is proposed that the agreement signed on 1 July 1983 is to be replaced by new agreements ("the Dumpco proposals").

The Dumpco proposals

In terms of the Dumpco proposals, a company, Dumpco Limited ("Dumpco"), will be formed as a subsidiary of the Company. Dumpco will acquire slimes dams, all rights to slimes dams in respect of twelve slimes dams situated on the Far East Rand containing approximately 410 million tons of slimes. These slimes dams or rights to slimes dams will be acquired from the Company and from Johannesburg Exploration and Mining Corporation Limited, a subsidiary of the Company, for a consideration of R265 519; from Geduld Investments Limited ("Geduld") for a consideration of 250 000 Ergo shares and from Ergo for a consideration of R24 600 000. Of the amount due to Ergo, R11 000 000 is payable during February 1984, R10 000 000 during February 1985 and R3 600 000 during February 1986.

The formation of Dumpco will rationalise the major slimes dams on the Far East Rand into one slimes dam holding company. Ergo has undertaken to purchase slimes material from Dumpco and to treat this material from all but one of the slimes dams at the Daggafontein Plant which it is to finance and erect at a cost of R118 million in escalated money terms.

The carbon-in-leach process will be employed initially and it is envisaged that this plant will be converted to the flotation process in the latter half of the 1990's. The material from the remaining slimes dam, being the Withok Slimes Dam, is to be treated at the existing Ergo Plant. To preserve this dam for treatment, a new tailings dam is to be built at a cost of R31,5 million in escalated money terms by Ergo. Dumpco will be administered by Anglo American Corporation of South Africa Limited.

The purchase price payable by Ergo to Dumpco for material acquired by Ergo in terms of the agreement will be calculated in terms of the formula $P = k(R - C)$

where: P = the purchase price of material
$k = 0{,}50$
R = revenue derived from the sale of gold and any other minerals recovered by Ergo
C = the cost of treatment of the material including all capital expenditure except for the initial capital-costs.

East Daggafontein Mineral Holdings (Pty) Limited, a wholly owned subsidiary of the Company, will sell Slimes Dam 5L26 held by it, and a dump permit in respect thereof, to Ergo for a consideration being 375 000 fully paid up shares in Ergo. Of these Ergo shares, 250 000 will be utilised to settle the consideration payable to Geduld referred to above.

The disposal by the Company of the dump permits in respect of its slimes dams is subject to the approval of the members of the Company in general meeting.

The Texasgulf agreement

With respect to the Texasgulf agreement announced on 12 December 1983 regarding the acquisition of TG Exploration (Pty) Limited ("TG") and Juno Exploration (Pty) Limited ("Juno"), it has subsequently been agreed by the Boards of Directors of both the Company and Southern Prospecting (Pty) Ltd that the acquisition will be implemented by Southern Prospecting (Pty) Ltd ceding its rights and obligations in terms of the agreement entered into between itself and Texasgulf Incorporated ("Texasgulf"), to the Company. In addition, it has been resolved that the transfer of the 5% subscription right in respect of the Fochville Project would not take place at this stage. Consequently, the total consideration payable by the Company to Texasgulf for the acquisitions is now R1,2m in cash and 100 000 shares in the Company.

Proposed rights offer of shares

In order to fund the cash consideration payable in terms of the Dumpco proposals referred to above, and to provide the Company with the capital necessary to finance the ongoing exploration activities of TG and Juno, the directors of the Company have resolved, subject to the necessary approval of members, to proceed with a rights offer of shares. This will necessitate an increase in the authorised share capital of the Company and the additional shares created being placed under the control of the directors for that purpose.

General meeting of members

A general meeting of members of the Company has been convened to be held on Monday, 16 January 1984, for the purpose of considering the resolutions required to enable the Company to implement the Dumpco proposals and to proceed with the rights offer. A circular and notice of general meeting, containing details with respect, inter alia, to the slimes dams, technical information and purchase considerations will be despatched to members of the Company today.

Details of the terms of the rights offer will be finalised in due course and members will be advised of these terms prior to the general meeting referred to above.

On behalf of the Board
A H LUNDIN
Chairman

C I VON CHRISTIERSON
Director

UAL MERCHANT BANK LIMITED
(Registered Merchant Bank)
A member of the Nedbank Group

23 December 1983

COMPANY NEWS

Pict losses reduced to £232,000 as exploration costs dip

EDINBURGH-based oil exploration company, Pict Petroleum, which is managed by Noble Grossart, has produced reduced losses after tax of £232,000, against £1.6m. for the year to the end of October 1983. There is again no dividend recommended for the year for this Unlisted Securities Market stock.

Losses were struck after reduced spending on exploration of £320,437 compared with £607,103.

The directors say that the nature and timing of Pict's commitments are such that the major part of the exploration expenditure will not be incurred until the second half of 1984. They will be actively seeking, during the next six months, an interest in oil production which will make the exploration expenditure to be incurred tax effective.

Activities proposed for 1984 include a possible second well on block 3/14. In the second half of the year a first licence obligation well on blocks 49/20b and 49/25b will be drilled in the southern North Sea gas basin.

There is the possibility of a well late in the year on blocks 99/12 and 99/13, in the English Channel, and also in the second half on one of the onshore production licences in southern England.

There will also be further evaluation work on the onshore exploration licences with the object of converting at least one of them into a production licence during 1984.

At the end of 1982, they stated that they were seeking ways to create value for Pict's acreage while substantially maintaining a strong cash position. This has been achieved, subject to Department of Energy approval, through a transaction with Whitehall Petroleum, a subsidiary of S. Pearson & Son. They also said that one discovery could, because of Pict's operational gearing, have a significant impact on value. This remains the position and there will be several wells drilled in the next 12 months any one of which could trigger success.

Losses for the year were after lower deposit interest of £328,000 against £530,000. Losses on oil and gas trading grew from £8,000 to £23,000. Administrative expenses rose from £149,000 to £154,000. Interest payable was down from £114,000 to £77,000. Currency losses were reduced by £4,000 to £74,000. Movements in provisions on investments and producing properties produced a credit of £88,000 (losses £1.18m).

Activities in 1983 included the award of a 10 per cent participation in blocks 49/20b and 49/25b in the southern North Sea, close to the Indefatigable gas field.

A 25 per cent participation was awarded in two onshore exploration licences XL193 and XL194 in the Central Pennines on the eastern outskirts of Greater Manchester. Pict's partners are Moray Petroleum, Anvil and Enscot. There was confirmation in December that the XL193 and XL194 licence areas had been extended to the north and west by the award of a separate licence, XL207.

Bankers Investment Trust assets and revenue rise

Bankers Investment Trust increased net asset value per 25p share by 33.2 per cent from 127.3p to 169.6p in the year to October 31, 1983. Total assets, less current liabilities, were up by 31.5 per cent to a record £68.38m.

Revenue was buoyant, reflecting some good UK dividend increases and the switch into overseas equity markets on a relatively attractive yield basis, the directors state. Total revenue of £3.1m, compares with £4.03m for the previous 18 months trading period—a 15.2 per cent rise on an annualised basis.

After expenses and interest payable of £425,623 (£403,236) and tax of £931,533 (£1.23m) net revenue came out at £1.74m, against £2.4m for the previous 18 months.

Earnings per share came out at 4.37p, compared with 6p for 18 months or 4p annualised. A final dividend of 1.76p makes a total of 4.16p net for the year, against an annualised rate of 3.95p—an increase of 5.2 per cent. A one-for-one scrip issue is also proposed, and the directors forecast payments of at least 2.08p, on the increased capital, in the current year.

In the early part of the year the gradual portfolio switch out of the UK into the U.S. and Japan was accelerated and subsequently proved justified, the directors report. At the year end, the portfolio was invested 55.2 per cent in the UK, against 80.3 per cent at April 30, 1980, 31.7 per cent (12.9 per cent) in North America and 8.9 per cent (1.7 per cent) in Japan.

The trust's investment policy is to increase the overseas weighting still further in the current year to nearer 60 per cent of the portfolio, with the main emphasis on North America and Japan, where, the directors say, investment prospects appear the most attractive.

On the basis of current revenue projections, the board believes that the change in weighting can be achieved while at least maintaining the dividend.

Willaire Systems reduces midway losses to £32,000

A SIGNIFICANT improvement in the first-half trading results of environmental control equipment maker Willaire Systems resulted in a reduction of taxable losses from £70,000 to £32,000. Turnover for the six months to September 30 1983 of this Unlisted Securities Market company advanced from £1.02m to £1.12m.

The directors say the very severe decline suffered in the second half of the previous year has been arrested, and in the second quarter of the current 12 months a small but nevertheless significant surplus on trading was achieved.

The group's dependence on purchases from the U.S. has been reduced, the directors report. The recent further decline of the pound, while not having the same significance as in the past, may yet affect the second half adversely.

While the sector of the UK economy represented by the group's customer base has changed for the better, there are signs of growing interest, and the level of quotations for new business is substantially up on last year. Provided normal conversion rate of quotations can be maintained, a return to profitability should be seen, the directors conclude.

After a nil tax charge (credit £14,000) and extraordinary debits of £15,000 (£31,000)—including provisions for all termination costs of subsidiaries no longer trading—attributable losses came to £47,000 (£87,000).

There is again no dividend.

Air Call

The rights issue called by USM company Air Call has met with a warm response by shareholders. Of the new shares offered, 98.5 per cent were taken up, and the balance has been sold in the market.

CONTRACTS

BT orders £7.25m optical fibre cable

British Telecom has awarded a £7.25m contract for the world's first international optical fibre undersea cable to STANDARD TELEPHONES AND CABLES. The 122 km cable, linking the UK and Belgium, is to be made in Britain by the company's submarine systems division. The investment is shared between four countries. Half will be held by British Telecom International, and the balance by three European telecommunications administrations—the Deutsche Bundespost of West Germany, the Belgian RTT and the Netherlands PTT.

★

TI ABAR, part of TI Reynolds, has won an order for two horizontal, vacuum furnaces which will be used in the Soviet Union for brazing turbine blades for the Siberian gas pipeline. The £600,000 contract has been placed by Liebherr Verzahntechnik of West Germany, main contractors to the Soviets for a complete turbine repair plant. The order calls for two Abar HR 50 x 48 furnaces with a 32 in diffusion pump, stainless steel inner tank, all metal hot zone and molybdenum elements. A full spares package and one complete replacement hot zone are included. The furnaces are to be delivered to the Soviet Union in mid 1984.

★

PARK AIR ELECTRONICS has been awarded a £500,000 contract by the Civil Aviation Administration of the People's Republic of China. Over 200 of the company's type 1250 and 1500 VHF AM transmitters and type 2100 receivers will be supplied to the Beijing Administration by next spring. Park Air Electronics is a subsidiary of IAL.

★

GLACIER METAL, a member of the AE Group, has orders from the People's Republic of China for bearing material worth nearly £500,000. The material is a tin-aluminium alloy bonded to steel from which crankshaft bearings for car and truck engines will be made.

★

The control gear division of BRUSH ELECTRICAL MACHINES, a Hawker Siddeley company, has received an order worth in the region of £500,000 for two sychronous motor inverter drives, which are expected to save the Ministry of Defence £1,000 a day in fuel costs. The two 6Mw drives, believed to be the largest installed in Britain, were ordered for the Royal Aircraft Establishment at Pyestock. The drives will be used with a supervisory computer and switch panel for soft starting any one of 12 motors, one of which is rated at 27Mw and will require two variable frequency inverter sets to be run in parallel, giving a total capacity of 12Mw. This order complements a 2Mw already in operation at RAE Pyestock which has produced savings of nearly £57,000 during the first 1,200 hours in operation.

The control gear division is building two vehicle test systems for Austin Rover. The orders are worth about £400,000 and are for the supply of test equipment to the Longbridge and Canley plants. The Longbridge order is for two end-of-production line roller-brake test rigs. The variable-wheelbase eight-roll rigs, due for delivery early in 1984, will be used on a range of models including the Triumph Acclaim. These are the first production vehicle brake-test rigs to be built by Brush. A two-metre diameter rolling road and associated control system are to be supplied to Canley for research into engine noise, and harshness.

★

The Croydon division of BABCOCK-BRISTOL, part of the Babcock Industrial and Electrical Products group, has won two orders for pneumatic control drives for the Farakka power station in India. The orders worth £170,000, were placed by Bharat Heavy Electricals for delivery in December. The heavy-duty pneumatic actuators are controlled by a pneumatic positioner, and will be among the first installations of Babcock-Bristol's Type PPB positioner.

CATERPILLAR TRACTOR COMPANY has contracted with Franz Eder Maschinenfabrik GmbH and Co KG, Mainburg, West Germany, for the manufacture of certain additional models of track and wheel hydraulic excavators. The agreement provides for manufacture of three models of track excavators in sizes smaller than those currently built by Caterpillar, and four models of wheel excavators. The machines will be available initially in Europe, Africa, and the Middle East through Caterpillar dealers, and will meet needs principally associated with European construction.

★

A new British life-saving invention has won a major contract from the U.S. SMITH LADDER LIMPIT CO, of Perth in Scotland, makes a safety system for ladder users which ensures that ladders do not fall over and that users cannot fall from them.

Vandersons of Chicago, Illinois has placed an initial order worth $600,000 (£408,000) and an agreement has been signed for the setting up of a joint venture between Vandersons and Smith to market the product throughout the States.

The Limpit system was the subject earlier this year of a report to Members of Parliament "A New Era in Ladder Safety — Why the Law Should be Changed." Prepared by the British Safety Council, the report suggested that the system was such a step forward in ladder safety that existing regulations in the UK should be amended to prohibit the use (at work) of ladders without the system.

★

£5m Pentos office furniture ordered

PENTOS HOME AND OFFICE PRODUCTS GROUP has received a contract from the Property Services Agency Supplies for office furniture worth in excess of £5m. The contract begins on February 1 and covers a five-year period. Pentos Home and Office Products Group is a wholly-owned subsidiary of Pentos.

★

BRIAN WHITTY has been awarded a Banstead Hospital contract by the Victoria Health Authority. Valued at £100,000, internal work comprises redecoration and minor refurbishment of seven wards. Included is updating of kitchens, installation of Parker Baths for the disabled and the repair or replacement of floor coverings. Completion date is February.

★

Twenty BMWs, worth £250,000, have been ordered by Bygging, from HEXAGON, Highgate. Bygging is the UK subsidiary of the Swiss company, Waxoyl.

★

The PEABODY HOLMES process division has received an order, valued at £110,000, to supply dust extraction equipment for the Woolf Fisher Works of New Zealand Steel Glenbrook, South Auckland. The contract, placed by New Zealand Steel Development, comprises four Devansco scrubbers together with associated ductwork, fans and exhaust stacks.

★

IAL has received an order from SEL—SystemService in West Germany to assist in the re-equipment of Gabarone, the main airport in Botswana. The contract, worth in excess of £400,000, requires IAL Data Communications to supply a six position Stratus voice communications control system complete with Park Air Electronics VHF-AM transmitters and receivers plus antenna arrays. The installation will provide communications facilities for aerodrome and approach purposes at the airport. Equipment is due for delivery in mid 1984.

★

All temporary power distribution equipment associated with the construction of the new Falkland Island airfield will be designed and manufactured by TRI-POWER under a contract worth approximately £500,000. The order was placed by the Laing-Mowlem-ARC joint venture.

NEW YORK STOCK EXCHANGE 16–18
AMERICAN STOCK EXCHANGE 17–18
WORLD STOCK MARKETS 18
LONDON STOCK EXCHANGE 19–21
UNIT TRUSTS 22–23
COMMODITIES 24
CURRENCIES 25
INTERNATIONAL CAPITAL MARKETS 26

SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Friday December 23 1983

Policing output in the EEC's dairy herds, Page 24

WALL STREET

Picture on rates dims a little

CONFIDENCE in the outlook for U.S. interest rates in the new year melted a little on Wall Street yesterday as the bond market analysts weighed in with their opinions of the Commerce Department's reduced forecast of economic growth, *writes Terry Byland in New York.*

The stock market turned lower at mid-session when there was a bout of selling of airline and railroad issues which took the Dow Jones transportation average down by nearly 10 points at one time.

Industrial issues rallied before the close when the Dow Jones industrial average showed a fall of 1.32 points to 1253.66 with turnover again high at 106.7m shares.

A report that American Airlines would "match discount fares" appeared to threaten a return of the disastrous discount price wars which savaged airline industry profits.

Last month's 4 per cent rise in orders for durable goods was higher than expected and damped down some of the optimism in the bond market. An initial rise in the key long bond to its highest level for a fortnight was soon lost.

Business in the credit markets was very thin as traders squared their books in preparation for the holiday and the burst of Treasury funding scheduled for next week. Rates at the auction of two-year notes rose by 27 basis points and the market remained doubtful over prospects for next week's funding programme.

In the stock market, there was heavy trading in the old shares of AT&T on what was effectively the last day on which payment can be guaranteed within the normal five trading days.

From today, AT&T shares will be traded with an attached coupon representing the stocks in the regional companies which will be formally created on January 1 when the break-up of the Bell system takes effect.

At one stage, the old AT&T dipped $½ to $62¾ while the new stock at $18 shed $⅛. Turnover in the two stocks far exceeded other stocks in the market with the exception of American Express which gained $¼ to $31¼.

As the session progressed, some of the brighter sectors of the past two months ran into hefty profit-taking. Selling of both airline and rails issues hit the Dow Jones transportation average.

Among the weaker spots were UAL (United Airlines), $2, down at $38, and AMR (American Airlines) $1⅛ lower at $35¾. Among the rail Burlington Northern, one of the strongest features of the past six months, dipped $3⅛ to $93½.

Utility stocks fell back sharply as the problems both of the cost and public acceptability of nuclear power projects upset investors. Cancellation of a nuclear plant planned by Carolina Power and Light sparked off widespread selling elsewhere in the utility area.

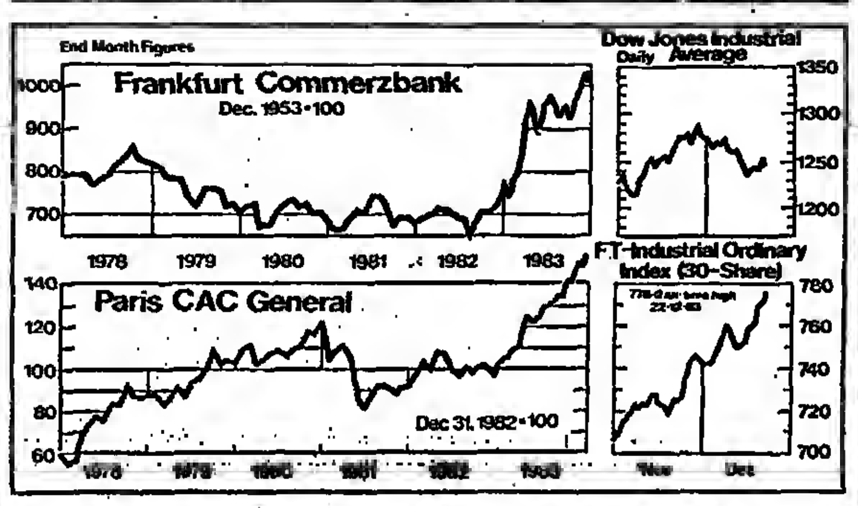
Stock in Public Service of Indiana halved to $11⅝ in heavy selling after the state task force, recommending that its Marble Hill project be abandoned, added that the stockholders should bear a "substantial" portion of the estimated cost of $7.7bn-plus.

Long Island Lighting, also meeting serious problems over its plant near Manhattan, plunged a further $1⅜ to $10⅞.

In the credit markets, yields continued to fall back, with the short end of the market helped by a drop in the Federal Funds rate to 9⁵⁄₁₆ per cent. Three-month Treasury bills were discounted at below 9 per cent again, dipping four basis points to a discount of 8.96 per cent. The six-month bills at a 9.18 per cent discount were thre basis points lower.

The key 2013 long bond reached 101⁷⁄₃₂ yielding 11.85 against 11.88 per cent overnight. Dealers commented that the bond market, which will close at midsession today, had all but gone home for the holidays.

KEY MARKET MONITORS



STOCK MARKET INDICES

	Dec 22	Previous	Year ago
NEW YORK			
DJ Industrials	1253.66	1254.98	1035.04
DJ Transport	587.07	596.79	447.02
DJ Utilities	130.44	131.17	117.66
S&P Composite	163.27	163.56	138.83
LONDON			
FT Ind Ord	776.20	772.00	588.40
FT-A All-share	469.84	468.05	378.96
FT-A 500	501.43	499.30	418.87
FT-A Ind	462.82	460.75	393.37
FT Gold mines	579.30	580.10	528.10
FT Govt secs	83.14	82.93	80.24
TOKYO			
Nikkei-Dow	9709.42	9717.65	7772.32
Tokyo SE	712.79	712.27	575.18
AUSTRALIA			
All Ord.	761.50	758.10	472.60
Metals & Mins.	550.80	546.30	394.30
AUSTRIA			
Credit Aktien	55.69	55.78	49.94
BELGIUM			
Belgian SE	135.97	135.18	98.88
CANADA			
Toronto Composite	2532.78	2537.77	1872.70
Montreal Industrials	422.60	442.99	314.87
Combined	425.72	426.42	311.79
DENMARK			
Copenhagen SE	208.34	204.44	95.28
FRANCE			
CAC Gen	152.90	149.70	99.60
Ind. Tendance	165.10	160.50	118.50
WEST GERMANY			
FAZ-Aktien	349.33	346.23	250.12
Commerzbank	1034.00	1024.20	754.20
HONG KONG			
Hang Seng	863.56	857.56	748.26
ITALY			
Banca Comm.	189.24	189.65	166.25
NETHERLANDS			
ANP-CBS Gen	149.80	148.40	99.40
ANP-CBS Ind	124.20	122.80	82.90
NORWAY			
Oslo SE	218.34	214.86	95.08
SINGAPORE			
Straits Times	984.84	981.83	723.52
SOUTH AFRICA			
Golds	858.10	860.60	898.20
Industrials	944.00	941.60	726.70
SPAIN			
Madrid SE	117.77	118.14	100.10
SWEDEN			
J & P	1444.33	1451.77	876.53
SWITZERLAND			
Swiss Bank Ind	381.40	375.70	279.70
WORLD	Dec 21	Prev	Yr ago
Capital Int'l	180.60	179.20	150.90

GOLD (per ounce)

	Dec 22	Prev
London	$377.875	$378.375
Frankfurt	$379.00	$378.75
Zurich	$378.75	$378.75
Paris (fixing)	$376.79	$376.65
Luxembourg (fixing)	$379.75	$378.55
New York (Dec)	$382.00	$377.80

* Latest pre-close figure; † Latest available figure

CURRENCIES

(London)	U.S. DOLLAR Dec 22	U.S. DOLLAR Previous	STERLING Dec 22	STERLING Previous
$	–	–	1.4275	1.4225
DM	2.7675	2.7715	3.9525	3.9450
Yen	233.8	234.90	334.0	334.25
FFr	8.455	8.4600	12.065	12.03
SwFr	2.21	2.2140	3.1575	11.53
Guilder	3.109	3.1150	4.44	4.4325
Lira	1681.0	1681.50	2399.0	2391.0
BFr	56.4	56.46	90.5	80.35
C$	1.24725	1.24975	1.7805	1.7770

INTEREST RATES

	Dec 22	Prev
Euro-currencies (offered rate)		
£	9⁷⁄₁₆	9¼
SwFr	4⁷⁄₁₆	4¹¹⁄₁₆
DM	6¼	6⁵⁄₁₆
FFr	14	14
FT London Interbank fixing (offered rate)		
3-month U.S.$	10⅛	10⅛
6-month U.S.$	10⅜	10½
U.S. Fed Funds	9⁵⁄₁₆†	9½
U.S. 3-month CDs	9.75	9.8
U.S. 3-month T-bills	8.86†	8.99

U.S BONDS

Treasury	Dec 22 Price	Dec 22 Yield	Prev Price	Prev Yield
10⅝ 1985	100⅛₃₂	10.78	99¹⁹⁄₃₂	10.78
11½ 1990	99⅝₃₂	11.67	98²⁷⁄₃₂	11.53
11.75 1993	100	11.75	99²⁹⁄₃₂	11.80
12 2013	101⁷⁄₃₂	11.85	100²⁴⁄₃₂	11.90
Corporate				
AT & T				
10⅜ June 1990	92⅞*	12.00*	92⅝	12.05
3⅞ July 1990	66.619*	11.25*	67½	10.95
8¾ May 2000	75⅛*	12.30*	78	12.15
Xerox				
10⅜ March 1993	91⅞*	12.20*	91⅞	12.30
Diamond Shamrock				
10⅜ May 1993	89½*	12.55*	89½	12.55
Federated Dept Stores				
10⅜ May 2013	86.417*	12.35*	85⅜	12.45
Abbot Lab				
11.80 Feb 2013	95.647*	12.35*	94.90	12.45
Alcoa				
12⅛ Dec 2012	95.085*	12.90*	94.724	12.95

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
March	70–03	70–04	69–25	69–21
U.S. Treasury Bills (IMM) $1m points of 100%				
March	90.71	90.72	90.59	90.57
Certificates of Deposit (IMM) $1m points of 100%				
December	90.27	90.38	90.16	90.11
LONDON				
Three-month Eurodollar $1m points of 100%				
March	89.78	89.80	89.73	89.74
20-year Notional Gilt £50,000 32nds of 100%				
December	110–10	110–12	110–00	109–24

COMMODITIES

(London)	Dec. 22	Prev
Silver (spot fixing)	811.50p	618.20p
Copper (cash)	£977.50	£918.00
Coffee (Jan)	£2021.50	£2013.50
Oil (spot Arabian light)	$28.12	$28.12

LONDON

A quiet resilience remains

THE LAST full session in London stock markets before Christmas passed quietly, but leading industrial shares continued to penetrate into new territory. The FT Industrial Ordinary share index closed 4.2 up at a peak 778.2.

Of the constituents, Bowater featured with a rise of 9p to 284p, after 270p, on bid speculation while ICI reflected a combination of U.S. and domestic support to close with a gain of 12p at 660p. Grand Metropolitan provided a dull contrast, falling 8p to 337p following disappointment with its annual statement.

Elsewhere takeover speculation remained rife in the financial sector.

Government stocks gained ground, and gains at the longer end ranged to ¾, while shorter maturities finished around ⅛ better.

Details, Page 19; Share information service, Page 20–21.

AUSTRALIA

CONTINUED foreign buying overcame a hesitant start in Sydney and the market closed firm in active late trading. The All Ordinaries index added 3.3 to a record 761.5.

Wall Street's gain together with firmer base metal prices and a steady gold price boosted minings. Oil and gas issues were mixed but chemicals, banks and insurance stocks firmed.

Some 5.04m Carlton and United Breweries shares were traded leaving CUB down 5 cents at A$3.85 in Sydney and 8 cents off at A$3.82 in Melbourne.

SINGAPORE

SHORT COVERING and some speculative buying induced a mild rally in Singapore and the Straits Times industrial index put on 3.01 to 984.84.

Buying interest was spread throughout the market. Chuan Hup Marine was again actively traded adding 15 cents at S$2.87. Among other actives, Cerebos gained 11 cents to S$2.62 but Sime Darby shed 1 cent to S$2.43.

The plantation sector, which had firmed against the trend during the previous session, continued to advance on expectations of higher palm oil prices in the medium term. Consolidated Plantations and K. L. Kepong each gained 4 cents to S$3.20 and S$3.14 respectively.

HONG KONG

SELECTIVE BUYING of blue chip issues took an otherwise very quiet Hong Kong market higher and the Hang Seng index added 8 points to end at 863.56.

Among leaders, Hutchison Whampoa rose 40 cents to HK$14.50 and Jardine Matheson added 20 cents to HK$11.10. Of the property issues, Cheung Kong firmed 5 cents to HK$7.10 while Hongkong Land and Swire Properties were unchanged at HK$2.82 and HK$4.65 respectively.

SOUTH AFRICA

BUSINESS turned very quiet for Johannesburg gold shares but prices held all but steady, with Randfontein crawling 50 cents lower at R170.50.

Of the mining financials Amgold stood out with a R1.50 rise to R133 while Anglo-American itself held at R19.50.

On the industrial side gains led losses by a two to one ratio, embracing 10-cent gains apiece for Barlow Rand at R13.25 and Breweries at R7.60.

CANADA

ENTHUSIASM fell away after a firmer Toronto opening, with activity greater than usual among industrials but oil and gas issues receiving the most decisive gains. Neither golds nor base metals could manage to establish any clear direction.

Industrials were similarly immutable in Montreal, with banks also flat, while setbacks were to be found among the utilities.

TOKYO

Foreigners cash in on their gains

FOREIGN INVESTORS, who provided the driving force for Wednesday's surge in Tokyo stock prices, placed further substantial buy orders for big-capital issues yesterday while also cashing in on some of the recent gains. In a backlash from the sharp rise over the past two days, prices closed a shade lower with the market left directionless, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow Jones market average, which moved higher in the morning, in response to Wall Street's overnight rally and heavy foreign buying, fell below 9,700 at one point in the afternoon to close at 9,709.42 for a net loss of 8.23. Volume contracted to 486.53m shares from Wednesday's 745.19m.

Foreign purchases continued high in the morning session at 48m shares, against sales of 41m shares, according to Daiwa Securities.

A bout of profit-taking emerged as foreigners placed large sell orders after the two-day surge of 233 points in the Nikkei-Dow index. In the final hour, however, some securities firms sought chemical and synthetic fibre issues.

Investors are eager to earn profits by next Wednesday, the year's final trading day, but as there is growing fear about the market's prospects, it is likely to become increasingly nervous in the days ahead.

The heavy foreign buying of big-capital issues had little impact on the market yesterday. Nippon Steel remained unchanged at Y170 and Sumitomo Chemical firmed Y2 to Y207, but Mitsubishi Heavy Industries eased Y2 to Y270.

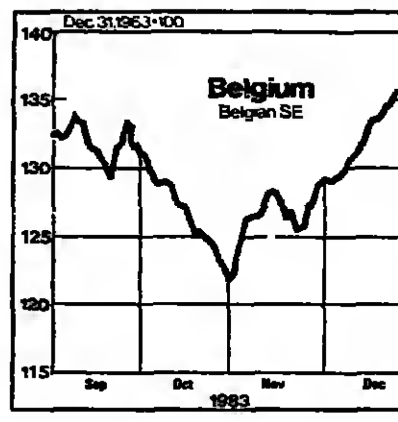
Blue-chip stocks lacked buying support. Matsushita Electric Industrial gained Y10 to Y1,900 and TDK Y30 to Y5,300, but Toyota Motor lost Y20 to Y1,430.

In response to higher prices for their stocks listed on the New York Stock Exchange in the form of American Depository Receipts, Hitachi and Sony gained ground, rising Y14 to Y795 and Y20 to Y3,890 respectively.

Elsewhere, pharmaceutical issues generally gained strength, with Tanabe Seiyaku climbing Y40 to Y910. Paper-pulp and cotton-spinning issues were also in demand.

The bond market extended its advance in active trading. City banks, regional banks, trust banks, financial institutions serving the agricultural and forestry sectors, and industrial corporations bought bonds and sold again to take profits, causing some concern among investors about the market's outlook.

The yield on the benchmark 7.5 per cent government bond maturing in January 1993 plummeted at one point to a record low of 7,375 per cent, but rebounded in late trading to close at 7.39 per cent.



EUROPE

Seasonal buying spree caps peaks

A LATE pre-Christmas shopping spree took shares to record levels in many of the European centres yesterday. All-time highs were established in West Germany and the Netherlands while new 1983 peaks were set in France, Belgium and Switzerland.

In Frankfurt, the Commerzbank index of 60 leading shares advanced 9.1 to 1034.0 – surpassing the 1,031.9 peak set as far back as September 1960.

The index has been nudging the record for some weeks. Yesterday's peak was attributed to chartist buying in the wake of optimistic economic forecasts for 1984 and the appearance of U.S. data indicating that the pace of recovery could be sustainable.

Domestic and foreign investors were active in the market, and while shares ended the session firm, they were off the day's highs.

Motor issues led the rally. Volkswagen added DM 7.20 to DM 214.70, after a high of DM 215.50 and BMW firmed DM 4 to DM 433, after DM 435.50. Daimler went against the trend, falling from a day's high of DM 653 to close DM 2 lower at DM 647.

Among higher banks, Commerzbank added DM 3.50 to DM 170.50 while Dresdner was DM 1 higher at DM 171.50 and Deutsche DM 2.10 ahead at DM 332.30. Of the Munich-based banks, Bayerische Verein added DM 12.50 to DM 323.50.

Allianz fell back DM 11 to DM 805 after raising its bid for the Eagle Star insurance group in the UK.

Domestic bonds continued the week's recovery, adding up to 40 basis points as sentiment improved in the wake of Wednesday's strong demand on U.S. credit markets.

A shortage of domestic paper was also pushing prices higher and the Bundesbank supplied the market with a very large DM 103.3m of paper after sales of DM 54.4m during the previous session.

In Amsterdam, where the traditional New Year rally is seen to have begun earlier than usual, shares were in some cases sharply higher.

The ANP-CBS index was 1.4 ahead at an all time high of 149.8, while the industrial index also peaked, up the same amount at 124.2.

While some strength was drawn from Wall Street, it was noted that the major force behind the market's rise was buying of domestic, rather than international, issues.

The retail group Ahold, which opened at a record Fl 185, climbed to Fl 186 for a rise on the day of Fl 2.70. Insurer Natned fell back from its record 1983 opening of Fl 198.50 but was still up Fl 4.3 at Fl 197.80.

Profit-taking after recent gains left publishers weaker at one stage. Elsevier, which had gained Fl 31 since the beginning of the week, shed Fl 4 to Fl 501 before rebounding to Fl 509.

Bonds rallied in sympathy with the equity market.

Continued on Page 18

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
17¼	8½	AAR	.44	2.6	21	243	17	16⅝	17	+⅜
52⅞	29¼	ACF	1.40	2.8	38	1055	50	48¼	50	
20⅞	18¾	AMCA	n			1	u21	21	21	+½
18⅞	14¼	AMF	.50	3.1		844	16⅛	15¾	16⅛	+¼
39½	18¾	AMR Cp			16	15609	37½	35	36¾	-1
19½	15	AMR	pf2.18	12		3	18⅝	18⅛	18⅝	-⅛
40⅛	24⅞	AMR	pf2.13	5.7		141	38⅜	37⅞	37½	-1
16⅛	3⅛	APL			22	33	15¾	15⅛	15⅛	-⅛
65¼	33¼	ARA	2.05	4.1	11	158	50¼	50⅛	50¼	-¼
79⅞	50¼	ASA	3a	5.4		323	55¼	55	55⅝	+⅛
33¼	14	AVX	.32	1.2	42	44	27¼	27⅛	27¼	+⅛
53⅝	35½	AbtLab	1	2.2	17	1393	46¼	45⅜	45⅝	-⅛
30⅛	23⅞	AccoW	n .60	2.2	20	114	28¼	27	27⅛	-⅛
27½	16⅛	AcmeC	.40	1.6		24	24⅜	24½	24½	-½
14⅜	7⅞	AcmeE	.32b	2.8	563	15	11½	11⅛	11½	-⅛
[illegible]										

Continued on Page 17

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close	Prev. Close	Ch'ge
[illegible]											

Continued on Page 18

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 16

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close	Prev. Close	Ch'ge
[illegible]											

Continued on Page 18

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a-dividend also extra(s). b-annual rate of dividend plus stock dividend. c-liquidating dividend. cld-called. d-new yearly low. e-dividend declared or paid in preceding 12 months. g-dividend in Canadian funds, subject to 15% non-residence tax. i-dividend declared after split-up or stock dividend. j-dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k-dividend declared or paid this year, an accumulative issue with dividends in arrears. n-new issue in the past 52 weeks. The high-low range begins with the start of trading. nd-next day delivery. P/E-price-earnings ratio. r-dividend declared or paid in preceding 12 months, plus stock dividend. s-stock split. Dividends begins with date of split. sls-sales. t-dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u-new yearly high. v-trading halted. vi-in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd-when distributed. wi-when issued. ww-with warrants. x-ex-dividend or ex-rights. xdis-ex-distribution. xw-without warrants. y-ex-dividend and sales in full. yld-yield. z-sales in full.

WORLD STOCK MARKETS

EUROPE

Continued from Page 15

The first day of the new trading account gave **Paris** its usual boost though the bourse was also helped by a drop in call money, back below the 12 per cent level to 11¾ per cent.

Fresh funds were also placed by savings investment account managers ahead of the December 31 tax-break deadline.

The CAC general index advanced 3.20 to 152.9; the index was rebased at 100 on December 31, 1982.

Among leading shares to trade limit up were Petroles BP, FFr 4.80 higher at FFr 161.80 and Roussel-Uclaf, FFr 40 ahead at FFr 678.

Active trading was seen in **Brussels** and the Stock Exchange index edged 0.79 higher to 135.97. Among the best performers, Petrofina added BFr 100 to BFr 6,050, inspired by the performance of oil stocks on Wall Street.

The chemical company UCB rose BFr 145 to BFr 4,245 following market speculation that the company will merge with the Solvay chemical group, despite a denial from Solvay.

The latest OECD economic forecast together with falling Eurofranc rates contributed to **Zurich's** strength. The Swiss Banking Corporation index added 5.7 to 381.4.

Oerlikon-Bührle was again firm, ending at SwFr 1,350, a rise of SwFr 70, while Brown Boveri rose SwFr 20 to SwFr 1,400.

Bonds were firm in thin trading.

Another high for the year was recorded in **Norway**, where the Oslo SE index was 3.48 higher at 218.34.

Elsewhere an easier mood prevailed: In **Milan**, Olivetti gained L69 to L3,880, following its link with AT&T of the U.S., during official trading, having been quoted at L3,950 in the after-bourse on Wednesday.

Madrid was steady to slightly easier with sharp gains in steels offset by declines in foods, monopolies and electricals.

Stockholm was also weaker although Pharmacea continued its rally, adding SKr 10 to SKr 333 following its recent sharp fall.

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 17

CANADA

DENMARK

NETHERLANDS

AUSTRALIA

JAPAN (continued)

FRANCE

NORWAY

SPAIN

HONG KONG

GERMANY

SWEDEN

SINGAPORE

NEW YORK CLOSING PRICES

Continued from Page 17

AUSTRIA

BELGIUM/LUXEMBOURG

Dec. 22	Price Frs.	+ or −
Cockerill	175	−3
Delhaize	4,905	+5
EBEB	9,530	+10
Electrobel	5,420	......
Fabrique Nat.	2,300	−50
GB Inno BM	3,295	+40
GBL (Brux)	2,355	+50
Gevaert	3,000	......
Hoboken	5,320	+70
Intercom	1,920xr	......
Kredietbank	6,240	+30
Pan Hldgs	8,091	......
Petrofina	6,050	+100
Royale Belge	7,100	......
Soc. Gen. Banq.	3,000	......
Soc. Gen. Belge	1,725	+45
Sofina	5,300	−10
Solvay	5,510	+10
Tractionel	3,460	+30
UCB	4,245	+145
Vieille Mont	5,420	+70

SWITZERLAND

Dec. 22	Price Frs.	+ or −
Fischer (Geo.)	643	+8
Genevoise	5,900	+100
Hoff-RochePtCts	103,500	+250
Hoff-Roche 1/10	10,950	+100
Jacobs Suchard	5,550	−75
Jelmoli	1,950	+5
Landis & Gyr	1,540	+10
Nestle	4,225	+70
Oer-Buehrle	1,350	+70
Pirelli	257	+9
Sandoz (Br)	7,400	+50
Sandoz (PtCts)	1,150	+15
Schindler (PtCts)	475	+15
Swissair	990	+20
Swiss Bank	519	+2
Swiss Reinsce	8,000	+100
Swiss Volksbk	1,450	+10
Union Bank	3,460	−10
Winterthur	6,350	......
Zurich Ins	19,100	......

ITALY

Dec. 22	Price Lire	+ or −
Banca Com'le	98,690	−60
Bastogi-IRBS	124.5	−4.4
Centrale	1,130	−140
Credito Varesino	3,650	−45
Fiat	5,320	−575
Finsider	45	......
Generale (Assic.)	155,810	−340
Invest	2,990	+68
Italcementi	37,060	−970
Montedison	212.5	−0.4
Olivetti	3,880	+62
Pirelli Co	3,745	−25
Pirelli Spa	1,478	−11
Snia BPD	1,280	+20
Toro Assic.	11,900	+100
do. Pref.	8,190	+70

JAPAN

Dec. 22	Price Yen	+ or −
Honda	1,090	+10
House Food	835	+3
Hoya	1,550	......
Itoh (C)	279	......
Ito-Yokado	1,780	+20
Iwatsu	2,100	......
JACCS	527	......
JAL	2,380	+40
Jusco	811	+1
Kajima	308	−1
Kao Soap	666	+5
Kashiyama	672	−7
Kirin	515	−1
Kokuyo	907	+8
Komatsu	545	+10

SOUTH AFRICA

Dec. 22	Price Rand	+ or −
De Beers	8.95	−0.05
Driefontein	38.5	+0.5
FS Geduld	45.5	+0.5
Gold Fields S.A.	24.75	......
Highveld Steel	5.2	......
Nedbank	15.75	......
OK Bazaars	21	......
Protea Hldgs	3.3	......
Rembrandt	25	+0.5
Rennies	14.25	......
Rustenburg	13.3	−0.1
Sage Hldgs	6.8	......
SA Brews	7.6	+0.1
Smith (C.G.)	24.25	......
Tongaat Huletts	10.6	......
Unisec	5.1	......

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK-DOW JONES

	Dec 22	Dec 21	Dec 20	Dec 19	Dec 16	Dec 15	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	1253.56	1254.88	1241.97	1244.81	1242.17	1236.79	1287.2 (29/11)	174.39 (1/8)	1287.2 (29/11/83)	41.22 (2/7/32)
Transport	587.87	596.79	591.89	590.6	598.15	585.76	612.57 (22/11)	434.24 (3/7)	612.57 (22/11/83)	12.23 (8/7/32)
Utilities	138.44	131.17	138.78	138.54	131.82	131.55	140.7	119.46	163.32	10.85

MONTREAL

	Dec 22	Dec 21	Dec 20	Dec 19	1983 High	1983 Low
Industrials	442.8	442.99	437.59	438.87	483.89 (5/5)	328.12 (4/1)
Combined	425.72	416.42	421.53	421.47	441.29 (28/9)	319.45 (5/1)
TORONTO Composite	2532.7	2537.3	2511.5	2500.7	2598.2 (28/9)	1940.9 (4/1)

U.S. INDICES: CLOSING VALUES. YESTERDAY'S CANADIAN INDICES: LATEST AVAILABLE

N.Y.S.E. ALL COMMON / RISES AND FALLS

Dec 22	Dec 21	Dec 20	Dec 19	1983 High	1983 Low
-	-	-	-	442.52 (6/5)	79.79 (4/1)

	Dec 22	Dec 21	Dec 20
Issues traded	2054	2027	2046
Rises	735	948	686
Falls	814	650	935
Unchanged	485	429	425

	Dec. 22	Dec. 21	Dec. 20	Dec. 19	1983 High	1983 Low
AUSTRALIA All Ord. (1/1/80)	781.4	780.1	767.8	765.7	781.4 (22/12)	487.8 (4/1)
Metals & Minls. (1/1/80)	550.0	546.5	546.4	544.8	614.2 (5/8)	411.8 (4/1)
AUSTRIA Credit Aktien (2/1/62)	56.88	56.78	55.81	55.53	59.8 (5/5)	48.48 (16/2)
BELGIUM Belgian SE (31/12/63)	155.87	155.78	154.79	154.48	155.87 (22/12)	100.50 (4/1)
DENMARK Copenhagen SE (3/1/83)	(u)	204.44	202.25	200.58	204.44 (21/12)	100.00 (3/1)
FRANCE CAC General (31/12/82)	152.9	149.7	148.2	149.1	152.9 (22/12)	98.1 (3/1)
SPAIN Madrid SE (31/12/82)	117.77	118.14	118.26	(c)	129.14 (10/11)	88.59 (11/1)
SWEDEN Jacobson & P. (1/1/58)	1444.58	1451.77	1449.25	1446.64	1528.98 (21/12)	939.16 (3/1)
SWITZERLAND SwissBankCpn. (31/12/58)	381.4	375.7	372.3	371.8	381.4 (22/12)	284.4 (4/1)
WORLD Capital Intl. (1/1/70)	—	180.6	179.2	179.7	188.9 (10/10)	154.5 (3/1)

(** Saturday December 10: Japan Nikkei-Dow (c). TSE (c).

Base values of all indices are 100 except Australia All Ordinary and Metals—500. NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities. 40 Financials and 20 Transports. c Closed. u Unavailable.

LONDON STOCK EXCHANGE

MARKET REPORT

Festive mood continues as equity index rises to yet another record—Gilts good

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Jan 16	Jan 26	Jan 27	Feb 6
Dec 12	Dec 22	Dec 29	Jan 9
Dec 30	Jan 12	Jan 13	Jan 23

* " New-time " dealings may take place from 9.30 am two business days earlier.

The last full session in London Stock markets before the Christmas holiday — the House is open for e llmited period only today — passed quietly yesterday. Leading industrial shares continued to penetrate into new territory, while Government stocks took fresh heart from sterling's recovery and interest rate hopes.

Although trade was again inhibited hy seasonal influences, blue chips showed no inclination to retreat from their record levels. Marked up at the outset in symosthy with Wall Street's overnight strength and the OECD's optimism ahout the world economic recovery, prices improved further in thin trading. Sentiment was later helped hy reports that the Chancellor had reiterated his optimistic economic views and satisfaction with Britain's prospects during question time in tho House of Commons.

Trade petered out almost completely during tho lunch-time period, but prices held close to their best levels of the day and after-hours details of the better-than-expected November trade returns helped to underpin the firm tone in the late trading.

Tho Financial Times Industrial Ordinary share index illustrated the day's proceedings, showing e rise of 3.9 at noon before closing 4.2 up et e new all-time peak of 776.2.

Of tho constituents, **Bowater** featured with a rise of 9 to 264p, after 270p, on hid speculation, while **ICI** reflected a combination of U.S. and domestic support to close with a gain of 12 at 660p. **Grand Metropolitan** provided e dull contrast, falling 8 to 337p, following disappointment with the annual statement.

The FT Actuaries Industrial group and All-Share indices also moved into new high ground.

Elsewhere, takeover speculation remained rife in the Financial sector. Merchant banks continued to be excited by the unsuccessful attempt made hy e Middle East consortium on Wednesday to acquire e 10 per cent shareholding in **Kleinwort Benson** — it acquired only 5.2 per cent — and further good gains were recorded. Meanwhile, the **Eagle Star** bid saga took e fresh turn when **Allianz** made e holding offer matching the 675p per share cash terms already being bid by **BATs**.

Still reflecting Donald Regan's optimistic view on U.S. interest rates and the forecast lower U.S. Gross National Product helped to ease upward pressures on short-term interest rates. Government stocks gained ground. Sterling's further recovery against the dollar also helped sentiment and closing gains in the longer-dated stocks ranged to ¾, while shorter-maturities finished around ⅜ better. The FT Government Securities Index closed 0.21 up and 0.80 higher on the week so far et 83.14.

Merchant Banks quietened after Wednesday's flurry of activity but the undertone remained firm. **Kleinwort Benson** extended their advance by closing 10 up at 480p, while **Hambros** rose 4 to 154p and **Hill Samuel** 5 to 333p. Speculative enthusiasm for **Royal of Scotland** also waned but the share price edged up 2 more to 224p. Clearing Banks, on the other hand, eased end **Lloyds** finished 10 lower at 528p.

Allianz's bid, equal to the **BAT Industries** offer, for **Eagle Star** brought the latter down 15 to 715p, but other Composite Insurances went higher with **GRE** gaining 10 to 517p. Life and Broker issues also tended to make ground.

Grand Metropolitan's 34 per cent preliminary profits expansion failed to impress e market clearly anticipating more end the shares dipped to 331p; consideration of the increased dividend and 20 per cent scrip issue coupled with e feeling that some expectations were pitched too high prompted a recovery and the close was 7 down on halance et 338p. Other major Breweries were mixed. **Allied-Lyons** eased 3 to 140p, but **Bass** added that much at 308p, while **Greenall Whitley** advanced 5 to 121p.

News that the London Dockland Development Corporation had dealt an early hlow to **White Mountain Quarries'** plans to import West German cement helped cement issues to regain composure. **Blue Circle** firmed 5 to 425p and **Rugby Portland Cement** 1½ to 97p, while **RMC** put on a penny to 391p. Elsewhere in the Building sector, buyers returned for **Barratt Developments**, which rose 6 to 174p following a market "tip," hut **John Mowlem**, firm on Wednesday after a hroker's recommendation, came back 6 to 196p. Buyers continued to shy away from **AMEC**, which shed 3 to e low for the year of 187p, while the rights issue proposal left **Edward Jones** 5 down at 40p.

ICI, after opening 6 higher reflecting demand for the group's shares in New oYrk, attracted e reasonable level of support, some of which was on further American account and progressed steadily to close e net 12 up et a high for the year of 660p. **Coates Brothers** put on 3 for a two-day gain of 11 to 95p on the U.S. acquisition. Among smaller priced issues, **Thurgar Bardex** firmed 1½ to 14p on revived speculative interest, but **Delmar** lacked support end shed 3 to a low for the year of 24p.

FII buoyant

FII continued to respond to tho profits potential of the company's Rhinotherm medical equipment subsidiary, notably the anti-rhinitis inhaler, and advanced 19 in a narrow market to 200p.

Leading Stores finished a shade firmer for choice with sentiment aided by further indications of buoyant Christmas consumer spending. **House of Fraser** continued to attract speculative suport and added 4 to record e two-day gain of 16 at 246p. **MFI** hardened e couple of pence to 156p and **A. G. Stanley** closed 3 dearer at 44p. **Superdrug Stores** put on 2 et 262p following the third-quarter figures, while **Sumrie Clothes** advanced 6 to 93p, the increased mid-term deficit being outweighed by the company's outimistic statement on second-half trading.

Tho Electricals leaders usually ended a couple of pence cheeper, but **BICC** continued to respond to occasional huying interest and put on 7 to 252p. Among tho high technology stocks, **Oxford Instruments** continued to respond to the joint Japanese venture and touched 312p before settling 5 higher on the day at 310p. Renewed demand left **Electronie Machine** 7 higher et 69p. **AB Electronic** continued to make progress and put on 10 further to 400p, while **Kode** recovered e similar amount to 236p.

Selective support was forthcoming for Engineers. Renewed demand left **Westland** 5 to the good at 165p, while **Baker Perkins** traded firmly and put on 7 to 130p. **Davy Corporation** edged up 3 more to 51p and **Simon Engineering** improved 8 further to 395p. **ML Holdings** responded to demand in e limited market and also put on 8, et 263p. Rationalisation moves left **Woodhouse and Rixon** 1½ higher et 15½p. Other smeller-priced issues to show to advantage included **Weir Group**, up 1½ more et 27½p, and **Brooke Tool**, a couple of pence higher at 16p.

Secondary issues provided most of the interest in Foods. **S. and W. Berisford**, a neglected market recently, attracted revived support and firmed 7 to 205p; the preliminary results are due in mid-January. The board's cool response to Mr Lewis E. Cartier's 250p per share partial bid for the company stimulated fresh interest in **Maynards** which put on 15 to 285p on counter-bid hopes. Fellow confectionery concern **Bassett** put on 5 to 89p. Elsewhere, **Highgate and Job** rose 15 to 150p following tho improved interim figures and the Board's confident statement. Buyers were around for **Fitch Lovell** which gained 6 to e 1983 peak of 175p.

Bowater flare up

Another sudden burst of speculative support, which revived rumours of e bid from Generale Occidentale, forced **Bowater** up to a 1983 peak of 270p before a close of 9 higher on balance at 264p. Demand of a similar nature coupled with more genuine investment support took **S. Pearson** up 9 to 404p, after 407p, and **Bestobell** 7 better to 345p. Other current favourites to make upward progress included **Cookson**, 10 dearer et 240p, and **Christies International**, which added 7 et 285p. **Avon Rubber** revived 7 to 142p end **Dalgety** 10 to 418p. Helped hy a hroker's fevourable circular, **Glaxo** moved up 15 to 730p.

Reflecting vastly improved interim results, **James Crean** gained 7 to 135p but, heeding the adverse affect on already slim margins of the DHSS imposition of price reductions and e price freeze, **Philip Harris** fell 11 to 105p. Dealings io **Nu-Swift** were suspended at 65p and details of the proposed merger with Associated Fire Protection, along with the share options granted to Hawley, were announced leter the last-mentioned rose 4 to 84p helped by the acquisition of e 29.8 per cent stake in a stockbroking concern. **Airship** returned from suspension following the fund-raising details and, after rising to 95p, came back late to 90p. Still mirroring disappointing figures, **Kelsey Industries** lost 15 to 180p and **Sterling Industries** 5 to 98p.

Closer appraisal of the proposed share placing and share split, both contained in the annual report, saw **Polly Peck** slip 1⅞ to £25⅞. Elsewhere, smaller-priced issues featured with **Metamec Jentique** rising 3½ to 18½p on option business and **M Y Dart** gaining 2½ to 29p. **Metal Sciences** were raised 5 to 19p, while further demand lifted **Staffordshire Potteries** 4 to a high for the year of 59p. A report that the group is seeking e U.S. quotation encouraged marked activity in **Sears**, 3 hetter et 83½p.

Television issues made another firm showing, **Anglia "A"** rising 3 more to 152p ahead of the preliminary results due early in the New Year. **LWT "A"** hardened a couple of pence to 182p, as did **Scottish "A,"** to a high for the year of 113p.

Further Press comment highlighting the company's impressive recovery, as shown by the recent preliminary results, stimulated increased support of **AE** which added 2 more at 69p. **Lucas** rose 4 to 174p. Distributors also made headway under the lead of **Lex Service**, 8 up for a two-day gain of 17 at 388p; **H. Young** spurted 10 at 100p, while **British Car Auction** closed 6 better at 235p, all three were at new highs for the year.

The prospective flotation of Reuters prompted further selective support of Publishers. **Fleet Holdings**, additionally aided by call option activity, added e few pence at 141p, while, among regionals, **United Newspapers** improved 13 in a thin market to 290p. Dealings in **Ault and Wiborg**, briefly suspended at 33p, were resumed just before the market close et 44p, a net gein of 11, following agreed terms of 46p cash per share from Sun Chemical of the U.S, which already controls 48 per cent of the equity. Elsewhere, advertising agents **Geers Gross** attracted scattered support on recovery prospects and rallied 8 to 108p.

Leading Properties mede a bright start, hut interest waned and one or two sellers soon appeared. **Land Securities** finished e couple of pence dearer at 268p, after 270p, hut **MEPC**, at 261p, relinquished 4 of the previous day's gain of 11. Elsewhere, **Dares Estates** hardened ½ to 24p following the acquisition of a portfolio of properties from British Land, while **Markheath Securities** firmed 2 to 127p on property lettings and sales in Watford.

Among firmer Shippings, **P & O Deferred** improved 6 to 243p. **Reardon Smith "A,"** 20p, end **Turnbull Scott**, 363p, added 2 and 8 respectively following the interim profits recoveries.

Trusts continued to edge higher with many quotations recording new highs for the year. **Border and Southern** improved 5 to 123p and **Fleming Overseas** 8 to 282p.

Helped by overnight firmness io the U.S., leading Oil shares opened e few pence dearer but lack of interest saw most quotations drift back to close e shade easier on halance. Elsewhere, exploration stocks recorded some outstanding movements. **Sovereign** responded afresh to the drilling report and the Forties Field financing agreement hy rising 10 further to 225p. **Pict Petroleum** gained 11 to 128p after the interim statement, but the drilling statement from **Saxon**, down 8 at 237p, after 235p, failed to excite. **Candecca** became e good market at 143p, up 13. Irish stocks encountered a revival of demand with **Atlantic Resources** rising 25 to 690p. **Eglinton** 30 to 285p, **Aran Energy** 5 to 75p and **Bula** 3 to 35p.

In Overseas Traders, **Ocean Wilsons** eased a penny to 34p following the interim statement.

Plantations remained selectively firm. **Consolidated Plantations** attained a 1983 high of 104p before settling 2 dearer on balance at 102p, while the Warrants closed 15 up at 303p.

Murchison surge ahead

The South African antimony/gold producer **Consolidated Murchison** continued to outperform the rest of mining markets with the shares surging ahead to close e further 50 firmer at e 1983 high of 800p following another wave of Johannesburg buying. Murchison shares have risen in excess of £2 during this month accompanied by a sharp rise in free market antimony prices and vague takeover rumours.

Other South African mining issues closed little-changed either way after subdued trading mirroring another uninspiring performance by the bullion price.

Golds made a good start to the day with Johannesburg and local buying interest in evidence, but this quickly petered out and share prices drifted easier on lack of business to close with small losses on balance. The Gold Mines index dipped 0.8 to 579.3.

One or two firm spots emerged, including **East Rand Gold and Uranium** which put on 12 to 497p. Persistent enquiry was also reported in **East Daggafontein**, which hardened 2 to 368p. Among leading issues, **Doornfontein** edded ½ et £14¾ but **President Brand** weakened £1⅜ to £26⅜.

South African Financials were mixed. **De Beers**, due to announce the 1983 diamond sales figure early in January, gave up 3 to 515p but **Anglo American Corporation** put on ⅛ to £13⅛.

Persistent interest in overnight Sydney and Melbourne markets prompted e strong performance by **Peko-Wallsend**, 14 firmer at 394p, while **CRA** added 6 at 366p and **Bougainville** 4 et 158p.

Tins were featureless with the notable exception of **Tanjong**, which followed up Wednesday's 68 jump with a rise of 37 to a year's best of 250p.

Demand for Traded Options remained relatively high with 2,883 contracts struck comprising 2,159 calls and 724 puts. The latest moves in the battle for control of Eagle Star again stimulated support of **Commercial Union** options which attracted 353 calls, 202 in the January 180's, and 73 puts. **Imperial Group** and **Lonrho** recorded 396 and 253 calls respectively, while **ICI** attracted 218 calls with 175 transacted in the January 650's.

FINANCIAL TIMES STOCK INDICES

	Dec. 22	Dec. 21	Dec. 20	Dec. 19	Dec. 16	Dec. 16	year ago
Government Secs	83.14	82.93	82.70	82.64	82.34	82.26	80.24
Fixed Interest	86.23	86.05	85.96	85.96	85.86	85.81	81.66
Industrial Ord.	776.8	772.0	769.8	768.1	759.3	752.8	588.4
Gold Mines	579.3	580.1	570.1	559.3	568.0	670.5	528.1
Ord. Div. Yield	4.56	4.58	4.59	4.62	4.63	4.66	6.10
Earnings, Yld.% (full)	9.28	9.35	9.37	9.43	9.46	8.51	10.88
P/E Ratio (net) (*)	13.14	13.05	13.08	12.94	12.92	12.83	10.08
Total bargains	16,843	20,005	21,120	18,280	22,411	16,828	16,655
Equity turnover £m.	—	264.44	211.68	170.68	226.86	265.88	156.4
Equity bargains	—	16,856	15,648	18,084	15,347	16,430	12,073
Shares traded (ml)	—	165.7	136.3	124.5	144.2	150.0	109.2

10 am 775.8. 11 am 774.9. Noon 775.2. 1 pm 775.9. 2 pm 775.2. 3 pm 776.2.

Basis 100 Govt. Secs. 15/1/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/55. SE Activity 1974.

Latest Index 01-246 8026.

Nil = 12.35.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs	83.70 (11/11)	77.00 (24/1)	127.4 (9/1/35)	42.18 (3/1/75)
Fixed Int.	85.41 (7/12)	79.03 (1/8)	150.4 (28/11/47)	60.63 (3/1/75)
Ind. Ord.	776.2 (22/12)	598.4 (12/1)	776.2 (22/12/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2)	444.6 (1/11)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Dec. 21	Dec. 20
—Daily		
Gilt Edged Bargains	138.3	138.7
Equities Bargains	109.2	101.4
Value	534.6	437.7
5-day Avrge		
Gilt Edged Bargains	147.6	152.3
Equities Bargains	104.1	102.5
Value	456.2	426.7

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Dec 19	Jan 6	Mar 22	April 2
Jan 9	Jan 20	April 2	April 16
Jan 23	Feb 3	April 26	May 8

For rate indications see end of Share Information Service.

Stocks favoured for the call included **UKO, Bowater, Whittington Estates, Metamec Jentique, Fleet Holdings, Mercantile House, Premier Oil, Armour Trust, Smith St Aubyn, Aspinall, Rowntree Mackintosh, Eglington, Mersey Docks, GRA, London and Liverpool, Coronation Syndicate, Combined Technologies** and **Metal Sciences**. A put was arranged in **London and Liverpool**, while e double option was transacted in **Premier Oil**.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	91	2	2
Corpns. Dom. and Foreign Bonds	25	3	48
Industrials	303	178	920
Financial and Props.	161	57	300
Oils	36	12	70
Plantations	11	4	0
Mines	45	35	88
Others	67	49	70
Totals	739	340	1,509

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renounc. date	1983 High	1983 Low	Stock	Closing Price p	+or–	Net Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+or–
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price p	+or–
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. Φ Figures or report awaited. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters. ‡ Effective issue price after scrip. † Formerly dealt in under special rule. ✠ Unlisted Securities Market. C Canadian.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
BAT Inds	172	+ 4
Bowater	264	+ 9
Cpns Murchison	800	+50
Eagle Star	715	−15
Grand Metropolitan	338	− 7
ICI	660	+12
Land Securities	268	+ 2
MEPC	261	− 4
Pearson (S.)	404	+ 9
Sears Holdings	83½	+ 3
Sovereign Oil	225	+10
Tanjong Tin	250	+37

WEDNESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Wed. close	Day's change
Ryl Bk of Scot	10	222	+20
Chrtrhs J. Roth	15	115	+10
Bank of Scot	14	725	+30
Hendrs 'New'	14	96	—
LASMO	13	263	+12
Shell Trans	13	559	+11
Brnt & Hllms	11	135	—
Midland Bank	11	400	+12
Racal Elect	11	209	+ 1
Beecham	10	321	− 2
Bellair Csmtcs	10	720	+20
Bowater	10	255	+ 5
GEC	10	178	—
Plessey	10	232	− 3

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (146)

BRITISH FUNDS (4)
INT. BANK & O'SEAS GOVT. STLG. ISSUES (1)
CORPORATION LOANS (2)
FOREIGN BONDS (1)
AMERICANS (5)
BANKS (4)
BREWERS (1)
BUILDINGS (1)
CHEMICALS (5)
ELECTRICALS (7)
ENGINEERING (4)
FOODS (5)
INDUSTRIALS (17)
INSURANCE (6)
LEISURE (1)
MOTORS (4)
NEWSPAPERS (3)
PAPER (2)
PROPERTY (6)
SHOES (2)
TEXTILES (1)
TOBACCOS (1)
TRUSTS (54)
OILS (1)
OVERSEAS TRADERS (1)
PLANTATIONS (4)
MINES (5)

NEW LOWS (18)

BANKS (1)
Bank Leumi (UK)
BREWERS (3)
Boddingtons; Young Brewery "A"; Invergordon
BUILDINGS (3)
AMEC; Turriff; HAT
CHEMICALS (1)
Delmar
ELECTRICALS (1)
Scan Data
INDUSTRIALS (3)
Airships Inds.; Parker Knoll "A"; Meinmet
LEISURE (3)
A. & M. Hire; Leisuretime Int'l; Intervision Video
PAPER (2)
Peters (Michael); Promotions House
TEXTILES (1)
Nora (Jersey) Knit

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Thurs Dec 22 1983: Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Wed Dec 21 Index No.	Tues Dec 20 Index No.	Mon Dec 19 Index No.	Fri Dec 16 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (205)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	Building Materials (24)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Contracting, Construction (30)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Electricals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	Engineering Contractors (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	Mechanical Engineering (59)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	Metals and Metal Forming (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9	Motors (17)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Other Industrial Materials (16)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
21	CONSUMER GROUP (197)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
22	Brewers and Distillers (23)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
25	Food Manufacturing (22)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26	Food Retailing (13)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
27	Health and Household Products (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29	Leisure (23)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32	Newspapers, Publishing (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33	Packaging and Paper (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34	Stores (47)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35	Textiles (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36	Tobaccos (3)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
39	Other Consumer (8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
41	OTHER GROUPS (84)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
42	Chemicals (16)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
44	Office Equipment (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45	Shipping and Transport (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46	Miscellaneous (48)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49	INDUSTRIAL GROUP (484)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
51	Oils (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
59	500 SHARE INDEX	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
61	FINANCIAL GROUP (124)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
62	Banks (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
63	Discount Houses (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65	Insurance (Life) (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	Insurance (Composite) (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67	Insurance Brokers (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68	Merchant Banks (12)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69	Property (56)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70	Other Financial (18)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71	Investment Trusts (107)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81	Mining Finance (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST

	PRICE INDICES	Thurs Dec 22	Day's change %	Wed Dec 21	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	5-15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	Over 15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Irredeemables	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	All Stocks	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	Debentures and Loans	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	Preference	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	AVERAGE GROSS REDEMPTION YIELDS		Thurs Dec 22	Wed Dec 21	Year ago (approx.)
	British Government				
1	Low Coupons	5 years	[illegible]	[illegible]	[illegible]
2		15 years	[illegible]	[illegible]	[illegible]
3		25 years	[illegible]	[illegible]	[illegible]
4	Medium Coupons	5 years	[illegible]	[illegible]	[illegible]
5		15 years	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]
11	Debs & Loans	5 years	[illegible]	[illegible]	[illegible]
12		15 years	[illegible]	[illegible]	[illegible]
13		25 years	[illegible]	[illegible]	[illegible]
14	Preference		[illegible]	[illegible]	[illegible]

† Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series		Feb. Vol.	Feb. Last	May Vol.	May Last	Aug. Vol.	Aug. Last	Stock
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

TOTAL VOLUME IN CONTRACTS: 14,434

A=Ask B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls Jan.	Calls Apr.	Calls July	Puts Jan.	Puts Apr.	Puts July
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
LASMO (*273)	240	49	60	65	7	12	18
	260	34	45	50	13	20	26
	280	20	30	35	23	30	30
	300	7	10	—	38	45	—
	330	2	7	—	63	68	—
	360	1½	3	—	—	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Option		Calls Mar.	Calls June	Calls Sep.	Puts Mar.	Puts June	Puts Sep.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Dec. 22. Total Contracts 2,883 Calls 2,159, Puts 724

* Underlying security price

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
101⅛	99½	Exch. 11¼pc 1984	100	.....	11.23	9.27
104⅛	100	Exchequer 14pc 1984	101⅞	+	13.74	9.22
97	92½	Exch. 3pc 1984	97	+	3.09	0.97
102	100	Treasury 12pc 1984	101⅞	+	11.78	9.27
107	104	Treasury 15pc 1985	105	+	14.26	10.03
107	101	Exch. 12pc Cnv. '85	102⅛	+	11.72	9.89
94	88⅝	Treasury 3pc 1985	94	+¼	3.19	7.50
102½	99⅛	Treasury 11½pc 1985	102¼xd	+	11.25	9.94
102	93	Treas 8¾pcCnv '83	98	+	8.89	9.73
103¾	100⅛	Exch. 12¼pc 1985	103¼	+	11.86	10.24
102⅞	99	Exch. 11¾pc '86	102⅛	+¼	11.48	10.44
102¾	97¼	Treas 10pc Cnv 1986	101½	+⅛	9.85	9.23
89	85⅝	Treasury 3pc 1986	89	.....	3.37	0.09
101	97	Exch. 10½pc Cv '86	101⅛	+½	10.37	9.89
103	100	Treasury 12pc '86	102	+⅛	11.66	10.61
97	94⅛	Treasury 8¼pc '84-86‡‡	97xd	−	8.72	9.67
114	103¼	Treas. 12¼pc '86 Cnv.	110xd	+¼	11.14	7.88
109	105	Exch. 14pc 1986	107⅛	+¼	12.99	10.73
85¼	84½	Exch 2½pc 1986 w	85¼	+	2.93	8.28
107¼	103⅝	Exch. 13¼pc 1987	106xd	+⅛	12.45	10.75
100	95⅞	Treas 10¼pc Cnv '87	99	+½	10.31	10.44
84	80¼	Exchequer 2½pc 1987	83⅞	+¼	2.98	8.37
100	95⅞	Exch. 10½pc 1987	99½	+⅛	10.55	10.65
93¼	88⅛	Funding 6½pc '85-87‡‡	91	+⅛	7.09	9.43
98	96	Treas 10pc 1987	98	+⅛	10.18	10.61
86	80¼	Treasury 3pc 1987	83xd	+	3.59	8.49
104⅝	99⅞	Treas 12pc 1987	103	+⅛	11.60	10.82
93¼	89⅝	Treasury 7¾pc '85-88‡‡	93¼xd	+⅛	8.33	9.86
101½	95½	Exch 10½pc '88	99½	+⅛	10.55	10.64
98⅝	93	Treas 9½pc Cnv '88	97	+	9.99	10.43
81½	75⅛	Transport 3pc '78-88	81xd	+¼	3.70	8.10
96¼	90¼	Treas. 9½pc '88	95	+⅛	9.95	10.72
		Five to Fifteen Years				
106⅛	95¾	Treasury 11½pc 1989	106⅛	+⅛	11.25	10.89
103	94¾	Treas 10½pc 1989	99	+⅛	10.67	10.80
60	59⅞	Exch 10pc 1989 (£60pd)	60	+⅛	10.34	10.80
83¾	76	Treasury 5pc '86-89	82¾	.....	6.11	9.09
114	103	Treasury 13pc 1990‡‡	108xd	+⅛	11.95	10.98
109⅞	100⅞	Exch. 12½pc 1990	109¼	+⅛	11.78	11.11
93¼	86¼	Treasury 8¼pc '87-90‡‡	90⅝	+⅛	9.12	10.30
108¼	97	Treasury 11¾pc 1991	102½xd	+¼	11.40	11.12
83	74⅛	Funding 5¾pc '87-91‡‡	82⅞	.....	7.15	9.48
103	95⅞	Exch. 11pc 1991	102	+⅛	10.98	10.99
154⅛	102	Treasury 12¾pc '92‡‡	107⅞xd	+⅛	11.71	11.06
100	88¼	Treasury 10pc 1992	99⅝	+⅛	10.39	10.69
110¼	98½	Exch. 12¼pc '92	109⅞	+⅛	11.57	11.16
156	106½	Exchequer 13½pc '92	110⅞	+⅛	12.00	11.21
114	101¼	Treasury 12½pc '93‡‡	107⅞xd	+⅛	11.51	11.03
79⅞	71	Funding 6pc 1993‡‡	78¼	.....	7.83	9.77
120¾	110½	Treasury 13¾pc 1993‡‡	116⅝	+¼	11.91	11.12
125¼	112⅞	Treasury 14½pc '94‡‡	125⅛	+⅛	11.99	11.03
117⅞	109⅛	Exchequer 13½pc 1994	116⅛	+⅛	11.84	11.17
113⅞	100½	Exch. 12½pc 1994	112⅞	+⅛	11.50	11.08
94⅝	86¼	Treasury 9pc '94‡‡	92	.....	9.88	10.37
118⅛	98	Treasury 12pc '95	105¾xd	+½	11.29	11.00
65¼	61½	Gas 3pc '90/95	63¼	+¼	4.74	7.96
101¾	88¾	Exch. 10¼pc 1995	95⅞xd	+⅛	10.60	10.77
116⅝	106⅛	Treasury 12¾pc '95‡‡	113½	+¼	11.37	10.89
126⅛	110	Treas. 14pc '96	118⅞xd	+⅛	11.71	11.04
93¾	83¾	Treasury 9pc '92/96‡‡	93⅞	+¼	9.90	10.31
133⅞	121⅛	Treasury 15¼pc '96‡‡	130⅛	+⅛	11.91	11.03
121½	109¼	Exchequer 13¼pc '96‡‡	117⅞	+¼	11.40	10.83
70	58	Redemption 3pc 1986-96	69½	.....	4.36	6.66
123⅝	107	Treasury 13¼pc '97‡‡	115¾xd	+⅛	11.56	10.82
105¾	89½	Exchequer 10½pc 1997	103	+⅛	10.56	10.57
92	80½	Treasury 8¾pc 1997‡‡	91⅛	+⅛	9.90	10.34
131⅝	120¼	Exch. 15pc 1997	130¼	+⅛	11.73	11.01
78⅛	69½	Treasury 6¾pc '95-98‡‡	76	+⅛	9.00	10.07
137⅝	124¼	Treas. 15½pc '98‡‡	136⅝	+½	11.65	10.92
114½	101	Exch. 12pc 1998	111	+⅛	10.92	10.65
		Over Fifteen Years				
99	86¼	Treasury 9½pc 1999‡‡	93⅞xd	+¼	10.86	10.28
115⅝	103¼	Exch. 12¼pc 1999	115	+⅛	10.91	10.63
104¼	92¼	Treasury 10½pc 1999	101⅝	+½	10.43	10.41
100	98	Convers'n 10¼pc 1999	99¾	+⅛	10.37	10.39
124¼	106	Treas. 13pc 2000	117¾xd	+⅛	10.97	10.61
128⅞	113¼	Treas. 14pc '98-01	124⅛	+⅛	11.39	10.82
116⅝	99¼	Exch. 12pc '99-02	110xd	+½	10.83	10.53
130	111	Treas. 13¾pc 2000-03	123¾xd	+⅛	11.06	10.61
113⅝	99⅝	Treasury 11½pc '01-04	113	+⅛	10.45	10.24
50⅝	43½	Funding 3½pc '99-04	48⅝xd	+⅛	7.17	9.01
122⅛	106½	Treasury 12½pc '03-05	159⅝	+¼	10.55	10.29
87½	77¼	Treasury 8pc '02-06‡‡	85¼	+⅛	9.52	9.75
117⅞	99	Treasury 11¾pc '03-07	111⅝xd	+¼	10.44	10.24
129¼	115	Treas. 13½pc '04-08	129¼	+¼	10.67	10.35
65½	53¼	Treasury 5½pc '08-12‡‡	63⅝	+¼	8.86	9.31
87⅛	71⅞	Treasury 7¾pc '12-15‡‡	81⅝xd	+⅛	9.41	9.53
122½	106¼	Exch. 12pc '13-'17	119⅞	+½	10.04	9.95
		Undated				
42	35¼	Consols 4pc	41½	+⅛	10.02	—
37½	31⅛	War Loan 3½pc‡‡	36	+⅛	9.78	—
47¼	37½	Conv. 3½pc '61 Aft.	43¼	−⅛	8.15	—
32	28¼	Treasury 3pc '66 Aft.	30¼	+⅛	9.97	—
25⅞	22¼	Consols 2½pc	25¼xd	+⅛	9.87	—
25⅞	22⅞	Treasury 2½pc	25½	+⅛	10.03	
		Index-Linked			(1)	(2)
106	98⅞	Treas. 2pc I.L. '88	105½	+¼	2.78	3.15
111¼	99⅞	Do. 2pc I.L. '96	106⅝	+⅛	3.15	3.32
103⅞	93¼	Do. 2½pc I.L. 2001	97½	+¼	1.03	3.16
104	91¼	Do. 2½pc I.L. 2003	96½	+⅛	3.00	1.12
107½	94⅞	Do. 2pc I.L. 2006	99¾xd	+¼	2.92	3.02
104½	91¼	Do. 2½pc I.L. 2009	96	+⅛	2.93	3.04
109½	97	Do. 2½pc I.L. 2011	102¾	+¼	2.90	3.00
100¼	88¼	Do 2½pc I.L. 2016	92½xd	+¼	2.85	2.94
92	91⅞	Do 2½pc I.L. 2020	92	.....	2.81	

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
121	102½	Australia 13½pc 2010	121	+1	11.68	11.57
30⅛	25¼	Do 11¾pc Ln 2015	29¾	+⅛	11.37	11.36
99⅝	85	Euro Inv Bk 11pc Ln 2002	99¼	+½	11.39	11.45
107¼	103½	Finland 14½pc Ln 1986	106¾	+⅛	15.58	11.16
108⅞	90⅝	Int-Am Dev Bk 12½pc 2003	103¼xd	+1	12.03	11.99
106¼	102½	Int. Bank 13½pc 1986	105½xd	+⅛	12.80	10.80
108¼	104¾	Do. 14pc Ln 1987	107¾	+⅛	12.99	11.04
102¼	96	Mlysia 12¼pc Ln '88	101½	+¼	12.07	11.81
97½	77¼	Mex 16½pc 2008	96½	.....	10.02	10.02
109¼	104¾	N.Z. 14¼pc 1987	108⅝xd	+⅛	13.12	11.22
98⅞	91⅛	Do. 11¼pc 2008	98¼	+⅛	11.62	11.65
105⅞	101½	Sweden 13½pc 1986	104¾	+⅛	12.89	10.99
116⅝	95	Do. 13½pc Ln 2010	116¼	+⅛	12.19	12.11

CORPORATION LOANS

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
101¼	97	Bath 15¼pc 1985	100¾	.....	11.17	10.77
103½	99¼	Birm'ham 12½pc 1985	102⅞	.....	12.18	10.47
105⅞	101½	Burnley 13pc 1987	104¾	.....	12.41	11.29
100½	95½	Cardiff 11pc 1986	100½	+⅛	10.94	10.77
102½	100	G.L.C. 13¼pc 1984	100¾	+	13.20	10.31
80¼	70½	Do. 6¼pc 90-92	80¼	+½	8.59	10.74
88⅞	82⅛	Herts 6¼pc 1985-87	88⅛	.....	7.66	10.75
119¼	107½	Leeds 13½pc 2006	159¼	+¼	11.53	11.37
100⅛	97	Liverpool 9¼pc '80-84	100	.....	9.75	9.71
30½	27½	O. 3½pc Irred.	30	.....	11.76	—
98⅞	93¾	Lon. Corp. 9¼pc '84-'85	98¼	.....	9.42	10.32
98	81⅛	LCC 5½pc '82-84	97¾xd	.....	5.63	9.43
85¼	78¼	Do. 5½pc '85-87	85	.....	6.47	10.76
83	75	Do 6¾pc '88-90	80¼xd	+⅛	8.31	10.80
26⅛	23¼	Do. 3pc '20 Aft.	25¼	.....	11.87	—
103	100	Sunderland 12¼pc 1984	102	.....	12.01	10.03

COMMONWEALTH AND AFRICAN LOANS

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
84¼	74¼	N.Z. 7¼pc 1988-92	81¾	+1½	8.82	10.45
94¼	88¼	Do. 7½pc '83-86	93½	+½	8.03	10.47
181	158	S. Rhod. 2½pc Non-Ass.	180	.....	—	—
86	74	Do. 3½pc 80-85 Asstd.	82	.....	4.29	14.90
57	44	Do. 4½pc 87-92 Asstd.	54	.....	8.43	14.20
395	321	Zimbabwe Ann (£100pa)	343	.....	—	16.26

LOANS

Building Societies

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
100⅞	99	N'wide 11⅞pc 23.1.84	100	−	11.87	10.04
100⅝	100	Do. 11⅞pc 13.2.84	100	−	11.85	9.76
100	99	Do. 11¼pc 19.3.84	100¼	.....	11.22	10.00
100⅞	99⅝	Do. 11¼pc 9.4.84	100¼	.....	11.22	10.29
100⅝	99½	Do. 10¾pc 30.4.84	100	.....	10.67	10.04
100⅞	99⅝	Do. 10⅞pc 29.5.84	100xd	+	10.83	9.77
100⅞	99½	Do. 10⅞pc 18.6.84	100	+	10.83	9.85
100	99½	Do. 10⅝pc 9.7.84	100½	.....	10.51	9.56
100⅛	99¾	Do. 10⅞pc 30.7.84	100	+	10.83	10.82
100	100⅛	Do. 11¼pc 20.8.84	100½	+	11.19	10.34
100¼	99⅞	Do. 11pc 3.9.84	100	.....	10.97	10.45

LOANS—continued

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		Public Board and Ind.				
77½	71¼	Agric. Mt. 5pc '59-89	75xd	+1	6.65	11.07
17⅛	11⅛	Met. Wtr. 3pc 'B'	36¼	.....	8.36	11.15
		Financial				
97½	92	Inv in Ind 6¼pcDb '81-'84	96⅛	.....	6.51	11.10
106½	96¼	Do. 10½pcUnLn '86	99½	.....	11.11	13.60
104	96½	Do. 11pc Uns.Ln. '88	101	.....	11.46	12.30
104½	97½	Do. 11¾pc Uns.Ln. '90	102½xd	.....	12.14	12.50
107½	91½	Do. 12½pc Un. Ln. 1992	107½	.....	15.98	11.70
81½	74½	Do. 7¼pc A Deb '89-92	79½	.....	9.20	11.00
80	70½	Do. 7¼pcADeb. '91-94	79½	.....	9.43	11.00
91	80½	Do. 9% A '91-'94	91	.....	10.17	10.85
89½	72	Do. 8⅞pcLn. '92-97	89	.....	10.36	10.80

FOREIGN BONDS & RAILS

1983 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
15	8	Chinese 4½pc 1898	15	.....	—	—
11	10	Do. 5pc 1912	10	.....	—	—
11	0	Do. 5pc 1913	9	.....	—	—
9½	5½	Do 5pc '25 Boxer	9	.....	—	—
48	40	Greek 7pc Ass.	48	.....	3½	7.29
46	41	Do. 6pc 28 Stb. Ass.	46	.....	3	6.59
44	38	Do 4pc Mixed Ass.	44	.....	2	4.60
58	27	Hung. '24 Ass.	38	.....	2¼	7.59
122½	102½	Hydro Quebec 15pc Ln 2011	118	+½	18	12.74
82	73	Iceland 6½pc '83-88	82	.....	6½	12.20
111½	94½	Do. 14½pc Ln. 2016	110½	.....	14½	13.81
89	78⅞	Ireland 9¼% '91-'96	89	+¼	9¼	11.86
305	275	Japan 4pc '10 Ass.	301	.....	—	—
92	81½	Do. 6pc '83-88	92	.....	6	7.97
161	161	Peru Ass. 2007	161	.....	5.22	3.29
992	575	Turin 9pc 1991	992	.....	9	9.78
DM95	DM88	Turin 6½pc 1984	DM95	.....	6½	13.98

AMERICANS

1983 High	Low	Stock	Price £	+ or −	Div. Gross	C'vr	Y'ld Gr's
35⅛	22⅞	Abbott Labs. $	32¼	−⅛	$1.00	—	2.2
31⅞	17⅞	Alcoa $1	30½	.....	$1.20	—	2.0
19½	13⅛	Amax $1	17⅛	−⅛	20c	—	0.8
18⅝	875p	Amdahl	12⅞	−½	20c	—	1.1
32⅞	20⅛	Amer. Express $0.60	22	−⅛	$1.28	—	4.1
24⅞	14⅝	Amer. Medical Intl. $1	15⅝	+½	48c	—	2.2
30⅞	20⅝	Amer. Nat. Res. $1	30⅞	+1	$3.16	—	7.2
46⅛	36¼	American T. & T. Co.	44⅞	−⅛	s$5.40	—	8.6
21½	14	Amfac Inc	20⅞	−⅛	$1.44	—	4.9

[illegible]

CANADIANS

[illegible]

BANKS, H.P. & LEASING

[illegible]

BANKS—Continued

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES & SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

ENGINEERING

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

1983 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
64	39	Kalamazoo 10p	42		3.33	1.8	11.3	7.1
60	35	♦Kean & Scott Hldgs	47	+2	M1.0	—	2.2	—
21	9¼	Keep Trust 5p	71½		‡0.35	—	‡	—
210	140	Kelsey Inds.	180	−15	8.0	1.7	6.6	12.0
130	58	Kennedy Smale	80		♦—	—	—	—
155	110	Kershaw (A.) 5p	155	+5	‡15.0	0.6	‡	(23.3)
80	59	Kleen-E-Ze Hldgs	70xd		‡4.5	0.5	9.2	—
101	52	L.C.P. Hldgs	77		3.6	1.5	6.7	(11.9)
32	14	LOH Group	27		—	—	—	♦
132	91	L.R.C. Int. 10p	111	−1	‡h2.95	2.6	3.8	12.4
38	17	Lamont Hldgs. 10p	38		‡1.3	1.8	4.9	14.4
42	26	Lawtex	42		—	—	—	♦
480	345	Lep Group 10p	460		17.5	0.3	5.5	63.2
49	22	Lilleshall 10p	45		d1.0	—	3.2	—
350	23	Lon. & Liv. 10p	24	+1	h2.75	3.1	16.4	2.2
135	97	London & Mid'd	128		7.75	1.1	0.9	14.0
50	20	Do. Defd.	46½		—	—	—	5.7
110½	38	Lon. & Nthn. Grp	69½	+½	F4.2	2.0	0.6	9.8
40	18	♦Lon. Priv. Health	18½	−½	—	—	—	4.3
65	46	Longton Inds.	59		1.0	—	2.4	—
144	70	Low & Bonar 50p	138	−2	‡5.0	2.8	5.2	(7.8)
48	32½	MCD Group	43½		s1.0	2.2	3.3	19.9
		for MM7 Computing see Electricals						
29	16	M.Y. Dart. 10p	29	+2½	Z0.25	—	1.2	—
212	134	M'c'rthy Pft. 20p	140		7.0	2.7	7.1	6.6
148	128	Macfarlane Gp.	134		‡3.52	2.1	3.8	16.4
46	33	Maclellan 20p	39		d1.5	1.6	6.3	12.2
63	31	Macpherson (D.)	40		4.2	0.6	15.0	(21.4)
56	41	Magnolia Group	53		2.3	3.2	6.2	6.2
72	65	♦Mainmet Hldgs. 10p	65	−5	—	—	—	69.4
180	65	Man. Ship Can. £1	142	+2	3.5	6.8	3.6	4.3
79	48	Marley	78		‡2.5	0.5	4.6	(14.2)
47	30½	Marling Ind. 10p	41xd	−1	‡1.08	1.7	3.8	(18.5)
34	25	Marshall L'sy. 'A'	31		£1.2	—	‡	—
70	44	Marshall's Univ	66		B—	—	—	130.7
32½	21	Martin-Black	29½		—	—	—	—

LEISURE—Continued

1983 High	Low	Stock	Price
112	85	Assoc. Leisure 5p	103
128	72	Barr & W.A.T. 'A'	89
100	40	Black & Edgin.	78
170	110	Boosey & Hawkes	163
61	32	Campari Int. 20p	39
177	160	♦Central TV N Vtg 50p	177
40	23	Fairline Boats 10p	37xd
49	14½	GRA Group 5p	49
69	45	Grampian TV A 10p	68
198	136	HTV Non-Vtg.	197
222	118	Horizon	160
162	91	Intasun 10p	152
60	21	♦Intervision Video 10p	21
405	258	Juliana's Hldgs. 2p	400
185	139	LWT "A"	182
147	45	Leisuretime Int 10p	45
132	97	Magnt. Ag. M 10p	98
80	52	Medminster 10p	80
170	110	♦Mrs World Grp 10p	150
23	17½	♦Nationwide 5p	19
128	22	♦Nimslo Int 20c	23
128	45½	Norton Opax 10p	123
30	22½	♦Owners Abroad	23½
47	36	Photax (Lon.)	37
147	84	♦Pineapple Dance St 10p	100
363	217½	Pleasurama 5p	325
173	108	♦Radio City 'A' NV	158xd
209	138	Riley Leisure 10p	142
132	83	Saga Hols. 20p	107xd
515	325	Samuelson Grp £1	325
113	94	Scott. TV 'A' 10p	113
68	27	♦SelecTV 10p	31
26	15½	TSW 5p	24
79	30	♦TVS N/Vtg 10p	79
29	19	♦Television Servs. 10p	22
100	82	Tottenham Hotspur	87

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCE

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—continued

Australians

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
20½	13½	♥ACM 20c	18½		—	—	—
52	32	Aifstaiz Explo N.L.	36		—	—	—
40	9	♥Australis Mng. N.L.	24		—	—	—
25	11	Balmoral Resources	15		—	—	—
60	33	♥Black Hill Mins.	33		—	—	—
87	51	♥Bond Corp	83	+3	Q10c	♦	7.7
183	116	♥Bougainville 1 Kina	158	+4	♦Q3.21	1.2	1.3
374	204	♥CRA 50c	366	+6	tQ3c	—	0.5
145	60	♥Carr Boyd 20c	75	+2	—	—	—
44	25	♥Central Kalgoorlie	36		—	—	—
43	18	♥Central Pacific	21		—	—	—

Tins

Miscellaneous

NOTES

REGIONAL AND IRISH STOCKS

OPTIONS

3-month Call Rates

"Recent Issues" and "Rights" Page 21

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard EC4P 4DX 01-236 1833

High Income				
Gilts & Fixed Int.	115.5	122.2	+0.9	9.82
High Inc Equity	55.0	59.1	+0.3	6.43
Capital Growth				
American Growth	103.6	111.4	+0.9	1.59
Assets & Ernigs. Tt.	53.7	58.0	+0.2	3.62
Capital Reserve	51.2	51.5	+0.3	0.84
Commodity & Engy.	78.5	84.4	+0.7	3.00
General	88.7	95.9	+0.2	3.24
Japan	117.6	126.4	+0.3	0.24
UK Growth	53.2	57.8	+0.1	3.77
Acc Units	73.7	80.1	....	3.78
US Emerging Co's	47.3	50.9	-0.5	0.50
Worldwide Bond	137.3	147.6	+0.1	3.73
Equity Prog.	123.0	133.0	+0.6	3.86

Aitken Hume
1, Worship St., EC2 01-628 6626

American Tech Fd.	148.4	159.5	+0.5	—
Inc & Gwth Fd.	33.1	35.5	+0.1	5.47
Pacific Fd.	133.5	146.3	+1.0	1.20
Secure Income Fd.	109.2	117.4	+1.0	7.30
Special Sits.	148.5	159.5	+0.5	0.97
Energy Fd.	222.2	238.8	+1.1	0.60
Exempt Fd.	369.9	397.6	....	3.00
Small Co's Fd.	252.6	271.5	+1.5	2.40
Jap. Technology	57.4	61.7	+0.3	0.50

Allied Unit Trusts Limited (A.) (G.)
Allied Hambro Hse., Hutton, Brentwood, Essex
Brentwood (0277) 211459 & 229123

Britannia Gp of Unit Trusts Ltd (a) (c) (g)
Salisbury Hse, 31 Finsbury Circus, London, EC2.
01-588 2777. Dealing: 01-638 0478/0479.
Britannia Viewpoint 01-673 0048

INSURANCES

Insurances—continued

Offshore & Overseas—continued

Money Market Trust Funds

Money Market Bank Accounts

F.T. CROSSWORD PUZZLE No. 5,301

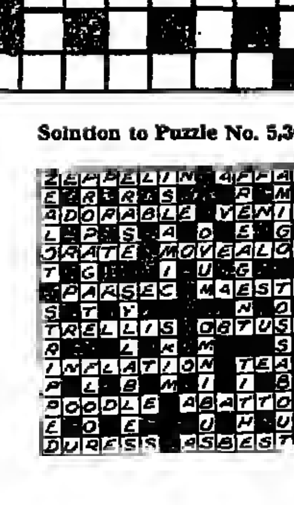
ACROSS

1 Funfair item, like Christmas with love in earth (5-2-5)
10 City boxer, possibly (7)
11 Ship—lot, including sails etc. (7)
12 Interchange with explosive uses (5)
13 A record has, classically, all the letters (8)
15 Am I unable to prize a type of bridge? (10)
16 Bring up from behind (4)
18 Seaweed in Trafalgar Square (4)
20 Criticise engine noise? A pun may follow (5, 5)
22 My country? It needs to be disposed of (4-4)
24 Test case? (5)
26 Like the foregoing, a non-drinker's almost hollow (7)
27 Oeuvre de chef? (7)
28 Funfair items—clown, crazy, is coming (8, 5)

DOWN

2 Football club—Orient, wearing green? (7)
3 Another sort of football, then one article in Ukraine (8)
4 Bull's blood? (4)
5 Flood of light, reference to wild lunge by the establishment (10)
6 You're not so low, say, as Heep or Hittite (5)
7 Margaret the writer's d—— mob (7)
8 Funfair item, like the Settle-Carlisle? (6, 7)
9 Funfair item: three letters, K, L, and T missing, possibly (6-7)
14 Oval area, with knowledge and weight (10)
17 Not steady and somewhat burlesque? (8)
19 Hereditary cat in charge (7)
21 Opening alternative, if on rink? (7)
23 Puccini heroine with number to copy (5)
25 Jock may get free (4)

Solution to Puzzle No. 5,300



INSURANCE & OVERSEAS MANAGED FUNDS

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3 01-623 1288

Black Horse Man. Fd	240.45			—
Managed Inv. Fd.	162.44	170.99		—
Property Fd	151.83	159.03		—
Fixed Interest Fd.	148.31	156.12		—
Cash Fd.	136.98	144.19		—
Income Fd	178.18	187.56		—
Extra Income Fd.	165.72	174.45		—
Worldwide Growth Fd	228.64	240.68		—
Balanced Fd.	179.70	189.16		—
Smr Co's & Recy. Fd	205.34	216.15		—
Int. Technology Fd	267.38	281.46		—
Nth Amer & Gen Fd.	165.50	174.22		—
Energy Int Fd.	103.27	108.71		—
Pacific Basin Fund	142.93	150.46		—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414131

Managed	113.4	119.4		—
Property	116.9	123.0		—
Equity	118.4	124.6		—
International	125.4	132.0		—
Fixed Interest	102.0	107.4		—
Deposit	100.1	105.3		—
Managed Pen. Cap.	113.4	119.4		—
Property Pens. Cap.	118.1	124.3		—
Equity Pens. Cap.	113.3	119.3		—
Intnl. Pens. Cap	128.6	135.4		—
Fixed Int. Pens. Cap.	99.2	104.4		—
Deposit Pens. Cap.	97.6	102.8		—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth Nov 30	97.3			—
Rtmt. Fnd. Nov 6	255.4			—
Managed Pen Fund	186.7	196.5		—
Property Pen Fund	115.1	121.2		—
Index Lnkd Pen Fund	111.8	117.7		—
Managed	125.0	131.6	+1.0	—
Property	104.6	110.2		—
Gilt and Fixed Interest	108.4	114.2	+0.8	—
Index-Linked	97.7	102.9		—
Equity	123.3	129.8		—
Cash	104.8	110.4		—
Midland Bk. Unit Tst.	122.0	128.5	+0.5	—
Midland Bank Intnl.	145.6	153.3	+0.4	—

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

Equity Units	[illegible]	—	+0.19	—
Property Units	[illegible]	[illegible]		—
Equity Bond/Exec	[illegible]	[illegible]	+0.12	—
Prop. Bond/Exec	[illegible]	[illegible]		—
Bal. Bd./Exec/Unit	[illegible]	[illegible]	+0.04	—
2nd Equity Acc.	197.9	[illegible]	+0.8	—
2nd High Inc/Acc.	[illegible]	[illegible]	+0.6	—
2nd Property Acc.	[illegible]	[illegible]		—
2nd Managed Acc.	[illegible]	[illegible]	+0.3	—
2nd Deposit Acc.	[illegible]	[illegible]		—
2nd Gilt Acc.	[illegible]	[illegible]		—
2nd American Acc.	[illegible]	[illegible]	+0.7	—
2nd Intl Money Acc.	[illegible]	[illegible]	−0.3	—
2nd Index Acc.	[illegible]	[illegible]		—
2nd Far East Acc.	[illegible]	[illegible]		—
2nd Eq. Pens./Acc.	[illegible]	[illegible]	+1.4	—
2nd Hi Inc Pens/Acc	[illegible]	[illegible]	+0.5	—
2nd Prp. Pens/Acc.	[illegible]	[illegible]		—
2nd Mgd. Pens/Acc	[illegible]	[illegible]	+0.5	—
2nd Dep. Pens/Acc	[illegible]	[illegible]		—
Gilt Pens/Acc.	[illegible]	[illegible]		—
2nd Am. Pens/Acc.	[illegible]	[illegible]	+1.0	—
2ndInt. MoneyPens/Acc	[illegible]	[illegible]	−0.4	—
2nd Index Pens./Acc.	[illegible]	[illegible]		—
2ndFM East Pens/Acc.	[illegible]	[illegible]		—
L & E S.I.F.	[illegible]	[illegible]		—
L & E S.I.F. 2	[illegible]	[illegible]		—

Current value 21 December [illegible]

Capital Life Assurance
Continued on adjacent Page Mon-Fri and Stock Exchange Dealings Page Sat.

Chieftain Assurance Funds
11 New Street, EC2M 4TP. 01-283 3933

Managed Growth	196.33	206.66	−0.09	—
Managed Income	91.91	96.75	+0.32	—
International	139.17	146.50	−0.23	—
High Income	120.71	127.07	+0.54	—
Income & Growth	121.26	127.64	−0.33	—
Basic Resources	139.12	146.44	+0.69	—
American	199.86	210.38	−0.14	—
Far Eastern (z)	200.76	211.33	−0.33	—
Smaller Cos	129.80	136.63	−0.38	—

City of Westminster Assurance
Sentry House, 500, Avebury Boulevard, Central Milton Keynes MK9 2LA. 0908-606101

	Series (2)			(1)Bid
West Prop. Fund	99.5	104.8	−0.2	95.2
Managed Fund	277.6	292.3		274.9

G.T. Management Ltd.
16 Finsbury Circus, Lond EC2M 7DJ 01-628 8131

G.T. Plan Bond Fund	126.2	132.9	+0.2	—
GT Pln High Yld Fnd	125.3	131.9		—
GT Plan Far East Fnd	123.0	130.4		—
GT Plan N. Am Fd	139.3	146.7	−0.1	—
GT Pln UK&G.E. Fnd	141.2	148.7		—
GT Pln Wrldwde Fnd	140.1	147.5		—
GT Pension Bnd Fnd	136.8	144.0	+0.2	—
GT Pen High Yld Fd	142.5	150.0	−0.1	—
GT Pen Far East Fd	152.2	160.3		—
GT Pen N. Am. Fd.	203.9	214.7		—
GT Pen UK & C.E. Fd	164.0	172.7		—
GT Pen Worldwide Fd	149.8	157.7		—

Prices for Accom. Units only

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY 01-488 0739

Intl. Managed Bond	166.9	175.7		—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.	256.3			—
Portfolio Fd. Init.	210.6			—

See adjacent page Mon-Fri and Stock Exchange Dealings page Sat

Gresham Unit Ass. Ltd.
2-6, Prince of Wales Rd. B'mouth. 0202 767655

Managed Fd.	278.4	293.4	+0.2	—
Money Fd	156.5	164.7	−0.1	—
Equity Fd.	235.0	247.6	−0.1	—
Fixed Int. Fd.	118.8	125.2	+0.1	—
Property Fd	173.0	182.3		—
Managed Pen. Fd	256.5	270.1		—
Equity Pension Fd	186.0	196.0		—
Fixed Int. Pen. Fd	166.2	175.1		—
High Yield Pen. Fd	163.8	172.6		—
Money Pension Fd.	129.2	136.0		—
Property Pension Fd.	128.2	135.1		—
Gresham/Framlington				
American & Gen. Fd.	253.1	266.7	+0.8	—
Income Fd	190.8	201.1	+0.5	—
Int'l. Growth Fd	274.6	289.4	−0.6	—
Capital Fund	201.3	214.2	+0.9	—
Recovery Fund	152.9	161.1		—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

Flexible Finance	[1.541]	—		—
Landbank Secs.	0.6629	—		—
Landbank Secs. Acc.	189.4	194.3		—
G. & S. Super Fd.	£11.5619	—		—

Guardian Royal Exchange
Royal Exchange, EC3. 01-283 7101

Guardian Assurance				
Property Bonds	307.0	319.7		—
GRE Linked Assurance Ltd.				
Managed Initial	215.6	227.0	+0.6	—
Do. Accum.	240.3	253.0	+0.7	—
Equity Initial	267.9	282.0	+0.9	—
Do. Accum.	298.6	314.3	+1.0	—
Fixed Int. Initial	197.5	207.9	+0.1	—
Do. Accum.	220.1	231.7	+0.1	—
Intnl. Initial	223.4	235.1	+0.3	—
Do. Accum.	249.0	262.1	+0.4	—
North American Initial	101.0	106.4	+0.6	—
Do. Accum.	102.5	107.9	+0.6	—
Pacific Initial	105.0	111.4	+1.1	—
Do. Accum.	106.3	111.9	+1.1	—
Index-Linked Gilt Init.	93.5	98.4	−0.1	—
Do. Accum.	94.8	99.8	−0.1	—
Property Initial	124.4	131.0		—
Do. Accum.	138.5	145.8		—
Deposit Initial	123.3	129.7		—
Deposit Accum.	137.4	144.6		—
GRE Pensions Management Ltd.				
Pens. Managed Initial	211.8	223.0	+0.7	—
Pens. Managed Acc.	230.7	242.9	+0.7	—
Pens. Equity Initial	274.7	289.2	+1.2	—
Pens. Equity Acc.	299.3	315.1	+1.4	—
Pens. Fxd. Int. Initial	200.9	211.5		—
Pens. Fixed Int. Acc.	218.9	230.4		—
Pens. Int'l Initial	210.6	221.7	+0.7	—
Pens. Int'l. Acc.	229.4	241.5	+0.7	—

Continued on adjacent Page Mon-Fri and Stock Exchange Dealings Page Sat.

Hambro Life Assurance P.L.C.
Allied Hambro Ctr, Swindon, SN1 1EL 0793 28291

Fixed Int. Dep. Acc.	187.2	197.[illegible]	+0.2	—
Equity Acc.	405.9	427.[illegible]	+1.5	—
Property Acc.	284.2	[illegible]	+1.0	—
Managed Cap.	236.0	[illegible]	+0.9	—
Managed Acc.	356.6	375.[illegible]	+1.5	—
Overseas Acc.	248.3	[illegible]	+1.1	—
Gilt Edged Acc.	214.3	[illegible]	+1.5	—
American Equity Acc.	239.7	[illegible]	−2.7	—
American Man Acc.	127.6	[illegible]	−1.0	—

Lloyds Life Assurance—cont.
Gartmore Funds—Series A

American Dec 20	171.8	180.9		—
British Dec 20	130.2	137.1		—
Commodity Dec 20	124.9	131.5		—
Extra Inc Dec 20	116.7	122.9		—
Far Eastern Dec 20	115.0	121.1		—
High Inc Dec 20	122.4	128.9		—
Income Dec 20	150.3	158.3		—
Global Strat Dec 20	181.5	191.1		—
Special Sits Dec 20	139.4	146.8		—
Gilt Dec 20	104.3	109.8		—
Japan Dec 20	174.8	184.0		—
U. Small Co's Dec 20	129.6	136.5		—
Man Gwt Dec 20	153.9	162.0		—
Autria Dec 20	114.1	120.2		—
Oil and Energy Dec 20	113.2	119.1		—
Gold Share Dec 20	[illegible]	80.6		—

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

"Asset Builder"	66.3	70.3		—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511

Money Mngr Dec 15	62.7	67.7		—
MM Flexible Dec 6	53.7	56.6		—
Fixed Interest Dec 1	56.4	59.4		—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA 0272-279179

See adjacent page Mon-Fri and Stock Exchange Dealings page Sat.

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	310.4	—	+4.4	—
Invest. Tst. Fd. Acc.	331.0	—	+4.7	14.4
Property Fund Cap.	117.3	—		—
Property Fund Acc.	124.6	—		4.7

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU 01-680 0606

Property Fund	289.6			—
Property Fund (A)	281.5			—
Agricultural Fund	1,122.5			—
Agric. Fund (A)	1,092.5			—
Abbey Nat. Fund	230.5			—
Abbey Nat. Fd. (A)	229.5			—
Investment Fund	140.4			—
Investment Fund (A)	138.4			—
Equity Fund	427.2		+0.5	—
Equity Fund (A)	414.2		+0.5	—
Money Fund	218.7		+0.3	—
Money Fund (A)	214.7		+0.2	—
Actuarial Fund	218.8			—
Gilt-edged Fund	194.8		+1.0	—
Gilt-Edged Fd. (A)	194.8		+1.0	—
Retire Annuity	357.4			—
Immed. Ann'ty	191.5			—
International Fd	269.3		+1.[illegible]	—
Bldg. Soc. Life Fd.	105.9			—
Property Growth Pensions & Annuities Ltd.				
All Wther Ac. Uts.	252.2	265.5		—
Inv. Fd. Uts.	278.4			—
Pension Fd. Uts.	256.3			—
Conv. Pens. Fd.	297.6			—
Cnv. Pns. Cap. Ut.	221.6			—
Man. Pens. Fd.	340.0		+2.4	—
Man Pens. Cap. Ut.	261.8		+1.8	—
Prop. Pens. Fd.	284.4			—
Prop. Pens Cap. Uts.	214.5			—
Bldg. Soc. Pen. Ut.	258.5			—
Bldg. Soc. Cap. Ut.	197.7			—
Gilts Pens. Fd.	174.5		+1.0	—
Gilts Pens. Fd Cap.	151.6		+0.8	—
Equity Pens. Fd.	269.9		+0.6	—
Equity Pens. Fd. Cap.	226.6		+0.5	—

Providence Capitol Life Assc. Co. Ltd.

OFFSHORE AND OVERSEAS

COMMODITIES AND AGRICULTURE

Tin prices drop sharply again

BY JOHN EDWARDS, COMMODITIES EDITOR

TIN PRICES dropped sharply again yesterday on the London Metal Exchange. The standard grade cash price lost £193.5 to £8,337.5 a tonne, after falling by £111.5 on Wednesday.

The buffer stock of the International Tin Council apparently lowered its support buying level, partly to reflect the firmer trend in the value of sterling against the Malaysian dollar.

There is growing concern, however, that the buffer stock funds are near exhaustion as a result of the extensive buying it has been forced to undertake both in the Penang and London markets recently.

The Straits tin price in Penang at $M29.17 a kilo is only two cents above the Tin Agreement floor level which the buffer stock is committed to defend.

The decline in London this week will not help, though the buffer stock is said to be making an orderly retreat against sustained selling pressure.

The buffer stock's attempt to "squeeze" the high-grade tin market in London of supplies appears to have failed. At the same time it is believed brokers have become increasingly reluctant to provide the financial backing for the buffer stock that has helped to control the market in recent months.

Meanwhile aluminium moved ahead further on the London Metal Exchange. The cash price gained £8.5 to £1,097.5 a tonne.

Zinc was virtually unchanged, in spite of three more producers raising their European official selling price from $950 to $980 a tonne.

They were Preussag, West German smelters, Pennaroya, in France, and AM&S Europe, the sole UK smelter, which is a subsidiary of Australian Mining and Smelting.

● Reuter reported from Dar es Salaam that Zambia will resume large-scale copper shipments through Tanzania next month, according to the official Daily News newspaper.

It said Zambia Consolidated Copper Mines (ZCCM) would be moving almost 80 per cent of its copper exports through Dar es Salaam. This decision was reached at a meeting of the Zambia-Tanzania Transport Co-ordinating Committee.

For the past three months only 57 per cent of Zambian copper had been routed through Tanzania.

Gold coin futures backed

BY NANCY DUNNE IN WASHINGTON

THE Commodity Futures Trading Commission has approved the trading of gold coin futures on both the Chicago Mercantile Exchange and the New York Commodity Exchange (Comex). Neither exchange, however, expects to begin trading immediately.

The proposed contracts are designed to serve as pricing and hedging instruments for gold coin distributors, wholesalers and gold coin retail shops.

The two contracts are of different sizes but have many of the same terms and conditions.

Futures prices will be quoted in dollars and cents per coin ($6.25 per contract) with a daily price fluctuation limit of $25 per coin.

The delivery unit for the CME contract will consist of 30, one fine troy ounce gold coins with many of the conditions the same as those for Comex.

Cocoa futures continue to rise

By Richard Mooney

THE RENEWED rise in London cocoa futures prices continued yesterday, taking nearby values to new five-year highs.

An earlier sustained rise was halted on Tuesday when the March position fell back £28.50. Most of this fall, however, was recouped on Wednesday and March cocoa moved further ahead yesterday to end the day £51 up at £1,937.50 a tonne.

Dealers said Tuesday's fall, due to pre-Christmas profit-taking, had shaken out some long holders who were quick to get back into the market when the rise was resumed. The resulting price increase sparked off covering by speculators holding short positions, thus accelerating the rise.

Physical prices have remained strong reflecting a shortage of current crop supplies available for prompt delivery. Most producing countries, with the exception of Ghana, are believed to be almost sold out of 1983-84 supplies and there have been reports from French traders that the Ivory Coast is having trouble meeting export commitments.

The situation in the Ivory Coast—the world's biggest cocoa-producing country—has been the predominating influence on the world cocoa market all season. Production was hit earlier in the year by drought and bush-fires. More recently, harvesting was hampered by power cuts and wet weather.

In recent weeks the Ivory Coast 1983-84 crop estimate has been reduced from 400,000 tonnes or more to 350,000 to 375,000 tonnes. Some traders, however, now suggest that even this figure may prove too high.

Ghana crop forecasts have also been reduced.

Policing the EEC's dairy herds

Britain accepts the need for disciplined milk production. John Cherrington looks at the argument over the form it should take

A PROSPECTIVE shortage of funds has concentrated European Commission members' minds on plans to reform the major expenditure of the Common Agricultural Policy—milk. There appears to be a reluctant consensus favouring very stiff penalties for farmers producing above a certain level.

Britain accepts the need for some form of discipline in milk-production but there is an increasingly bitter argument as to methods to be used.

The National Farmers' Union would like to see what it calls national standard quantities. That is, the industry as a whole would be paid the guaranteed price for a basic allotment, with the excess mulcted by a swingeing super-levy.

The Milk Marketing Board is believed to favour an overall price reduction either by allowing no price rises for five years or a small cut for the notional surplus. This again, however, would be spread over the whole spectrum of milk producers.

A school of thought among some dairy-farmers, reflected in Brussels, is that the only way to secure control of output would be to have quotas on individual farms.

If, for example, a farmer received 16p a litre for his basic quota and any excess subject to a super-levy of 75 per cent, he would soon arrange his affairs to keep within the quota.

This proposal is attacked by the Milk Marketing Board and by those calling themselves the progressive element in dairy farming. These are the undoubtedly efficient operators whose main reaction to difficult times is to cut unit costs by raising production.

In practice this means those unable, for various reasons, to keep up with the leaders gradually fade away. Since 1960 the number of producers in the area of the Milk Marketing Board of England and Wales has fallen from 121,000 to 39,000.

In that time the number of cows has increased by about 5 per cent and milk output by 67 per cent largely a measure of increasing yields. There is still some way to go here because dairy-herds become increasingly bred to the very high-yielding Holstein strain.

The Milk Board, however, should not be the only judge of the situation. Though a producer-monopoly in that all milk has to be sold through it, the board has a vested interest to maintain the throughput of its manufacturing interests. These include the former Unigate factories, bought some time ago.

At least one factory has had to be closed. Others could follow if there should be any fall or even a stabilisation of throughput. Like the dairy companies which it supplies, the board is very dependent on turnover.

Board and companies are becoming more worried by the spread of so-called producer processors. These are licensed to prepare milk for sale retail or wholesale to supermarkets. There is concern this could be used to undercut retail trade margins.

It is feared that should quotas be created there would be no way to prevent more farmers becoming processors or else "blackmarketing" their surpluses to processors or to the public.

The board also fears that any restriction on UK milk supplies would pull in butter, cheese and even milk from our European partners where, except in the Netherlands and probably Denmark, it would be almost impossible to institute on-farm quotas.

There would be the same objection to a national standard quantity as proposed by the NFU. Some mechanism would have to be found to keep out foregin supplies.

In spite of these objections there is a chance that board and farmers will have to accept the inevitability of a direct control of actual production. The only alternative left to the Commission would be to suspend intervention-buying of butter and skimmed milk-powder.

This has been threatened for skimmed milkpowder over certain months. Should CAP funds be restricted, it might be inevitable.

The effect of such a step on market prices could be a disaster. The world price of butter is less than half the intervention figure and that for skimmed milkpowder is even less. There could be a chaotic situation as dairies looked for outlets.

A logical solution would be a national standard quantity, a quota on the individual farm and some restriction of imports.

Since when, however, has logic governed the activities of Commission or Council of Ministers?

Move to end milk-related farm aid

BY IVO DAWNAY IN BRUSSELS

THE European Commission yesterday announced proposals for a total halt to all farm modernisation grants aimed at increasing milk production.

The move, which had been expected by member-states, is first in a series of measures to rein in the growing milk surplus. This year the surplus will cost the EEC about 4.7bn European Currency Units of the 15.8bn agricultural budget.

National investment aids to the sector have been restricted since 1981. The new proposal extends the ban to all Community financing for at least six months, to await a more comprehensive reform package for structural aids to farmers.

The Commission's initiative is certain to be opposed when it comes before the Council of Agricultural Ministers next month.

Though Britain, The Netherlands and West Germany are expected to support the plan, France and Irish Republic ministers look set to raise objections. Both countries are expected to seek exemptions for smaller dairy farmers.

Apart from dairy-farm development funding the Commission has proposed a six-month continuation of other aids to farm modernisation, retraining farmers and support for less-favoured farming areas.

Endorsement of a roll-over of existing provisions to fill the void left on January 1, however, may be opposed by the UK,

French long-life milk challenge

THE FAILURE of French long-life milk to be passed for human consumption in the UK is due to differences in testing techniques, not quality standards, according to the importers.

French Dairy Farmers, the UK subsidiary of ULN, the Normandy dairy co-operative, challenges test results obtained by Salisbury District Council's public analyst on a consignment shipped to Newhaven, the first received in the UK since the lifting of a previous import ban.

Unctad fund membership eased for 10 by Norway

By Our Geneva Correspondent

THE Norwegian Government is giving $5m (£3.5m) to make membership of Unctad's Common Fund for Commodities possible for 10 developing countries.

The minimum entrance fee to the fund is $1m per country, at least half in cash. The rest may be in the form of promissory notes to be cashed only when the fund's executive board decides they are needed.

Norway's grant will enable four African and six Latin American countries to ratify the fund's agreement. They are Angola, Madagascar, Mozambique and Swaziland, and Costa Rica, El Salvador, Guatemala, Honduras, Jamaica and Nicaragua. That will bring total ratifications to 77 of the 90 required before the agreement enters into force.

The other requirement, that ratifications represent 66.6 per cent of the directly-contributed capital of $470m—with the new members, 45 per cent only is accounted for—does not seem to discourage the conviction in Geneva that the agreement could enter into force by the middle of next year.

● CHINA'S RICE CROP this year is estimated at 161.25m tonnes, about equal to last year's record crop, the U.S. Agriculture Department said.

The early rice crop, about 30 per cent of total production, is estimated at about 50m tonnes, 7 per cent below last year. The single, northern and late rice crops are estimated at a combined record of 110m to 111m tonnes.

● CASTOR OIL exported from India in April-November of fiscal 1983-84 ending March came to 35,000 tonnes worth Rs 400m, Bombay traders said. Of this, 30,000 tonnes was sold by private trade, the rest by the State Trading Corporation.

PRICE CHANGES

In tonnes unless stated otherwise	Dec. 22 1983	+ or —	Month ago
Metals			
Aluminium	£1050	.....	£1050
Free Mkt	$1580/1618	+40	$1485/515
Copper			
Cash h grade	£977.5	—0.2	£928
3 mths	£1003.75	—0.5	£988.75
Cash Cathode	£960.00	—0.25	£951
3 mths	£985.26	.....	£973
Gold troy oz	$377.675	—0.5	$376.625
Lead Cash	£272.25	—1.0	£276.75
3 mths	£282.25	—1.0	£286.375
Nickel	£4813	.....	£4646.34
Free Mkt	205/225c	.....	205/225c
Palladium oz	$125.50	—3.5	$146.00
Platinum oz	£270.70	—0.50	£265.45
Quicksilver†	$303/312	—2.5	$305/315
Silver troy oz	611.60p	—6.50	577.50p
3 mths	625.00p	—7.25	590.00p
Tin cash	£8337.5	—193.5	£8685
3 month	£8499.5	—196.5	£8807
Tungsten	$74.70	.....	$78.18
Wolfr'm 22.04lb	$70/74	+1	$69/73
Zinc Cash	£607.5	—1	£576
3 mths	£621.75	—1.375	£582.75
Producers	$950-980	.....	$950

	Dec. 22 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$1020x	—30	$900
Groundnut	$865y	.....	‡
Linseed Crude	‡	.....	
Palm Malayan	$715v	.....	$665
Seeds			
Copra Phil	$870w	.....	$600
Soyabean (U.S.)	$318.5	.....	$310
Grains			
Barley Fut. Mar	£132.20	—0.25	£126.20
Maize	£148.0x	.....	£146.50
Wheat Fut. Mar	£128.15	—0.25	£123.00
No.2 Hard Wint	‡	.....	‡
Other commodities			
Cocoa ship't*	£1998	+21	£1673
Fut. March	£1937.5	+51	£1823.5
Coffee Ft. Mar	£1945	+2.5	£1964
Cotton A.Index	89.15c	.....	89.05c
Gas Oil, Jan	$248.25	—0.75	$246.5
Rubber (kilo)	88.50p	—1	88.5p
Sugar (Raw)	£188wx	—1	£140
Woolt'ps 64s	483p kilo	.....	405p kil

‡ Unquoted. v Jan. w Feb. x Dec-Jan. † Per 75 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

LONDON OIL

Gas oil fell $2.00 on the opening, which was caused by weakness in New York, but this was met by some strong buying and the market moved quickly up a dollar to stabilise for the morning. A weak U.S. opening caused prices to drop back again before both markets strengthened.

Crude oil traded lower, also in line with New York, and barely moved after the opening, reports Premier Man.

Turnover: 1,857 (3,254) lots of 100 tonnes.

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Dec	243.00	—8.00	245.25-242.5
Jan	242.25	—0.75	246.50-245.0
Feb	243.25	—1.25	246.75-242.5
Mar	240.00	—	240.25-236.0
April	238.00	—1.50	235.50-235.5
May	234.00	+1.75	234.00-233.7
June	233.50	—2.50	233.50
July	238.65	—4.75	—
Aug	233.25	—0.75	—

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.05-28.20	—
Iranian Light	27.72-28.00	—
Arab Heavy	25.05-25.20	—
North Sea (Forties)	28.60-28.65	—0.05
North Sea (Brent)	28.75-28.90	—0.05
African Bonny L'ht	28.80-29.00	—0.05
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	260-265	—4.5
Gas oil	243-253	+1.0
Heavy fuel oil	176-173	—

CRUDE OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per brl		
Feb	28.50	—0.10	—
Mar	28.26	—0.24	28.26-28.22
Apr	28.20	—0.02	28.28-28.15
May	28.07	—0.05	28.07-27.99
June	28.08	—0.08	—

Turnover: 45 (27) lots of 1,000 barrels.

GOLD MARKETS

Gold fell $½ to $377½-378½ on the London bullion market. It opened at $379½-380½, and was fixed at $378.90 in the morning and afternoon. The metal touched a peak of $379¾-380½, and a low of $377-377½.

In Paris the 12½ kilo gold bar was fixed at FFr 102,500 per kilo ($376.79 per ounce) in the afternoon, compared with $379.75 per ounce, against $378.55.

In Frankfurt the 12½ kilo bar was fixed at DM 33,820 per kilo ($380.01 per ounce), against DM 33,800 ($379.47) previously, and closed at $378¾-379¼, compared with $378½-379.

In Luxembourg the 12½ kilo bar was fixed at the equivalent of $379.75 per ounce, against $378.55.

In Zurich gold finished unchanged at $378½-379.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
Feb	382.10-82.60	—0.50	384.00-82.00
April	388.50-88.10	—0.35	—
June	394.50-95.00	—0.35	—
Aug	401.00-02.50	—0.45	—
Oct	408.40-09.50	—0.55	—

Turnover: 278 (359) lots of 100 troy ounces.

	Dec. 22		Dec. 21	
Gold Bullion (fine ounce)				
Close	$377½-378¼	(£264¾-265¼)	$378-378¾	(£266¼-266¼)
Opening	$379½-380½	(£266½-266¾)	$378-378¾	(£266¼-266¾)
Morning fixing	$378.90	(£265.578)	$378.66	(£266.373)
Afternoon fixing	$378.90	(£265.373)	$378.60	(£265.671)

Gold and Platinum Coins Dec. 22

Krugrnd	$388-389½	(£272½-272¾)	King Sov	$89½-91	(£62¾-63¾)
½ Krg	$202-202¾	(£141½-142)	Victoria Sov	$89½-91	(£62¾-63¾)
¼ Krg	$103-103¾	(£72¼-72¾)	French 20s	$74¼-75½	(£52-53½)
1/10 Krug	$41¾-42½	(£29¼-29¾)	50 pesos Mex	$461-465	(£323-324½)
Mapleleaf	$389¼-389¾	(£272¾-273)	100 Cor. Aust	$368-372	(£257¾-260½)
New Sov	$88¾-89½	(£62¼-62¾)	$20 Eagles	$520-530	(£364¼-371¼)
½ New Sov	$52¼-54¼	(£37¼-38)	Noble (Plat)	$401-405½	(£281¼-284¼)

EUROPEAN MARKETS

Maize—(U.S. $ per tonne): U.S. three yellow Dec 158, Jan 158, Feb 157.50, Mar 157, April/June 156.50, July/Sept 155 sellers. Argentine Plate Dec 183, April/June 151 sellers.

ROTTERDAM, Dec 22.

Wheat—(U.S. $ per tonne): U.S. two red winter Jan 160, Feb 161.50, Mar 162.25, April 164. U.S. two northern spring 14 per cent protein Jan 193, Feb 193.50, Mar 193.50, April/May 179. U.S. three amber durum Jan 208, Feb 210, Mar 212, April/May 195. Canadian western spring April/May 211, June 212.

Soyabeans—(U.S. $ per tonne): U.S. two yellow Gulfports Jan 312.50, Feb 315, Mar 318, April 319, Aug 320.50, Oct 271, Nov 271, Dec 276, Jan 279 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent afloat from Thalatte 248, Themis 249, Agnia 250, Dec 249/250/251, Jan 250.75/251/251.50/252/252.50, Feb 254/255/255.50, Mar 256/256.50, Nov/Mar 228/228.50 traded. Pellets Brazil Dec 273, Jan 275, Feb 279, Mar 289, April/Sept 258, Oct/Dec 247 sellers. Pellets Argentine afloat 257, Dec 258, Jan 257, Feb 261, Mar 264, May/Sept 251, May/Oct 251.50 sellers.

PARIS, Dec 22.

Cocoa—(FFr per 100 kg): Mar 2352/2360, May 2345/2360, July 2350 bid, Sept 2320 bid, Dec 2330 asked, Mar 2330 asked.

Sugar—(FFr per tonne): Mar 1994/1900, May 1960/1970, Aug 2065/2072, Oct 2135/2150, Dec 2220/2235, Mar 2322/2332.

BRITISH COMMODITY PRICES

BASE METALS

COPPER

TIN

LEAD

ZINC

ALUMINIUM

NICKEL

SILVER

Silver was fixed 6.6p an ounce lower for spot delivery in the London bullion market yesterday at 611.6p. U.S. cent equivalents of the fixing levels were: spot 874.3c, down 4.2c; three-month 895.3c, down 5.2c; six-month 919.7c, down 4.7c; and 12-month 968.5c, down 5.2c. The metal opened at 618-619c (878-892c) and closed at 607-610p

COCOA

COFFEE

GRAINS

COTTON

POTATOES

The market was slightly easier, trading in a fairly narrow range, reports Caley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
Feb	150.80	151.60	151.00-150.8

RUBBER

SOYABEAN MEAL

SUGAR

WOOL FUTURES

PRICE CHANGES

MEAT/FISH

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 97.88p per kg lw (−3.47). GB—Sheep 154.88p per kg est dcw (−0.34). GB—Pigs 78.39p per kg lw (−3.17).

COVENT GARDEN — Prices for the bulk of produce, in sterling per

INDICES

AMERICAN MARKETS

Precious metals followed the rally in financial instruments showing strong local and professional support for both gold and silver, reports Heinold Commodities. Copper was moderately higher on steady arbitrage support and on light short-covering as stocks showed signs of production cut backs. Aluminium prices were higher on price increase by producers, and on the generally better tone in the metals markets. Soyabeans were sharply higher on short-covering and in response to a very active meal market. Maize was moderately higher in sympathy with the meal, while wheat was lower in anticipation of a bearish government crop estimate. Heating oil was again higher as two major refiners raised their wholesale prices and as the government came out with upward revisions in distillate consumption estimates. Coffee steadied to show minor losses on pre-holiday short-covering. Cocoa showed sharp gains on technical buying along with renewed concerns over the quality of the West Africa main crop. Sugar showed slight declines as bearish chart indications and commission house buying showed marginal gains... interest developed ... U.S. consumption ...

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
March	77.20	77.50	76.90	76.70
May	77.85	78.20	78.00	77.45
July	89.85	79.15	79.10	78.55
Sept	79.90	—	—	79.65

SILVER 5,000 troy oz, cents/troy oz

	Close
Dec	900.0
Jan	901.0
Feb	907.0
March	915.0
May	931.0
July	947.2

CHICAGO

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar eases in quiet trading

THE dollar lost ground in currency markets yesterday in very thin trading. The approach of Christmas confined market participation to the bare essentials. News on Wednesday of a lower than expected U.S. Gross National Product in the fourth quarter helped to allay market fears that the Fed may tighten its credit policies in order to counter inflationary pressures normally associated with a strong economic recovery.

The dollar's fall was limited, however, as the market also believes the Fed has little scope for cutting interest rates. Until the normal end of year demand for the dollar has subsided the U.S. unit is likely to remain relatively strong. It closed at DM 2.7675 against the D-mark down from DM 2.7715 and SwFr 2.21 compared with SwFr 2.2140. It was also lower against the Japanese yen at Y233.80 from Y234.90 and slipped to FFr 8.4550 from FFr 8.46 in terms of the French franc. On Bank of England figures the dollar's trade-weighted index fell from 130.9 to 130.5.

STERLING — Trading range against the dollar in 1983 is 1.6245 to 1.4140. November average 1.4773. Trade-weighted index 82.3 against 82.4 at noon and *82.3* in the morning and compared with 82.3 on Wednesday and 83.7 six months ago.

Sterling finished on a slightly *firmer* note although this was not reflected in its trade-weighted index. Dealers noted some switching out of D-marks and into sterling around lunchtime and this helped sterling to close at DM 3.9525, up from DM 3.9450. It was also higher against the Swiss franc at SwFr 3.1175 from SwFr 3.15 and FFr 12.0650 from FFr 12.03. It was slightly weaker against the yen, however, finishing at Y334.0 from Y334.25. Against the dollar it rose to $1.4270-1.4280 at the close, up 50 points.

D-MARK — Trading range against the dollar in 1983 is 2.7780 to 2.3320. November average 2.6847. Trade-weighted index 124.1 against 128.3 six months ago.

The D-mark was firm against most currencies at the Frankfurt fixing, including the dollar. The Bundesbank did not intervene when the dollar fell to DM 2.7683 from DM 2.7705. In the absence of new factors trading slowed to a very low level ahead of Christmas. In terms of its EMS partners the D-mark was generally strong, with the French franc easing to DM 32.700 per 100 franc from DM 32.735; the Dutch guilder to Fl 88.975 per 10 guilders from Fl 88.980; and the lira to DM 1.6460 per 1,000 lira from DM 1.6500. Sterling improved, however, rising to DM 3.9520 from DM 3.9350.

ITALIAN LIRA — Trading against the dollar in 1983 is 1,682.5 to 1,343. November average 1,625.70. Trade-weighted index 48.8 against 51.7 six months ago. The lira showed mixed changes at the Milan fixing, improving against the dollar and French franc, but losing ground to sterling and the D-mark. The dollar fell to L1,681.05 from L1,682, but remains very close to a record high against the Italian currency. The lira lost ground to most of the members of the EMS, including D-mark which climbed to L607.20 from L607.16. Dealers suggested that the gradual decline of the lira within the EMS, particularly against the D-mark, is being guided by the Bank of Italy, although the central bank did not intervene against the D-mark at yesterday's fixing. The guilder rose to L540.20 from L539.71, and the Belgian franc to L29.795 from L29.764, but the French franc fell to L198.48 from L198.75. Outside the EMS *sterling rose to L2,397.95 from* L2,387.80.

£ in New York—Latest

	Dec. 22	Previous
Spot	$1.4285-4305	$1.4245-4255
1 month	0.15-0.17 dis	0.14-0.16 dis
3 months	0.30-0.35 dis	0.31-0.34 dis
12 months	0.95-1.05 dis	1.03-1.10 dis

£ forward rates are quoted in U.S. cents discount.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU December 22	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	46.0071	+2.46	+1.81	±1.5447
Danish Krone ...	8.14104	8.17183	+0.38	−0.27	±1.6425
German D-Mark	2.24184	2.25710	+0.68	+0.03	±1.0642
French Franc ...	6.87456	6.90066	+0.38	−0.27	±1.4052
Dutch Guilder ...	2.52595	2.53892	+0.51	−0.14	±1.4964
Irish Punt	0.72569	0.728067	+0.33	−0.32	±1.6699
Italian Lira	1403.49	1371.15	−2.30	−2.30	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

Dec 22	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4225-1.4300	1.4270-1.4280	0.13-0.18c dis	−1.30	0.30-0.35dis	−0.91
Canada	1.7750-1.7850	1.7800-1.7810	0.07-0.17c dis	−0.81	0.22-0.32dis	−0.61
Nethlnd.	4.41½-4.45½	4.43½-4.44½	1⅛-⅞c pm	8.04	3⅜-3⅛ pm	0.04
Belgium	80.15-80.75	80.45-80.55	0-18c dis	−1.34	37-47 dis	−2.09
Denmark	14.24-14.33	14.29½-14.30½	1½-2½ore dis	−1.88	3⅜-4⅜ dis	−1.12
Ireland	1.2690-1.2775	1.2735-1.2745	0.30-0.35p dis	−3.11	0.85-1.00dis	−2.90
W. Ger.	3.93-3.96	3.94¾-3.95¾	1⅛-⅞pf pm	2.66	3⅛-2⅞ pm	3.04
Portugal	188.90-190.50	188.50-190.00	125-310c dis	−13.75	460-970dis	−15.07
Spain	225.25-226.75	226.30-226.50	145-185c dis	−0.74	515-580 dis	−0.87
Italy	2,389-2,404	2,398-2,400	14½-16½lira dis	−7.75	45½-48½dis	−7.84
Norway	11.08-11.17	11.12½-11.13½	3⅜-4½ore dis	−4.38	9½-10⅜ dis	−3.57
France	12.02-12.11	12.06-12.07	3-4c dis	−3.48	12¾-13⅝dis	−4.31
Sweden	11.52-11.58	11.54½-11.55½	2⅞-3½ore dis	−3.06	6⅞-7⅝ dis	−2.51
Japan	332½-338	333½-334½	0.70-0.60y pm	2.23	2.20-2.00 pm	8.61
Austria	27.70-27.95	27.82-27.87	7¼-5½gro pm	2.77	22½-17½ pm	2.86
Switz.	3.14-3.17	3.15¾-3.16¾	1⅛-⅞c pm	4.27	4-3½ pm	4.75

Belgian rate is for convertible francs. Financial franc 81.60-81.70. Six-month forward dollar 0.48-0.53c dis. 12-month 0.95-1.05c dis.

THE DOLLAR SPOT AND FORWARD

Dec 22	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4225-1.4300	1.4270-1.4280	0.13-0.18c Dis	−1.30	0.30-0.35dis	−0.81
Ireland†	1.1195-1.1220	1.1195-1.1205	0.19-0.18c pm	1.87	0.60-0.52 pm	2.00
Canada	1.2465-1.2480	1.2470-1.2475	0.09-0.06c pm	0.72	0.13-0.10 pm	0.37
Nethlnd.	3.1080-3.1125	3.1080-3.1100	1.18-1.08c pm	4.36	3.15-3.05 pm	3.98
Belgium	56.35-56.45	56.39-56.41	1-2c dis	−0.32	13-16 dis	−1.03
Denmark	10.00½-10.02½	10.01¾-10.02¼	par-½ore dis	−0.30	¼-¾ dis	−0.30
W. Ger.	2.7630-2.7700	2.7670-2.7680	0.90-0.91pf pm	4.09	2.75-2.70 pm	3.94
Portugal	132.75-133.25	132.85-133.15	80-200c dis	−12.63	300-650dis	−14.28
Spain	158.55-158.85	158.80-158.85	85-115c dis	−7.56	320-380 dis	−8.82
Italy	1,680-1,682	1,680½-1,681½	9-10lira dis	−6.78	29¾-30¾dis	−7.08
Norway	7.7940-7.8100	7.7950-7.8000	1.85-2.15ore dis	−3.08	5.00-5.30dis	−2.64
France	8.4400-8.4725	8.4525-8.4575	1.50-1.70c dis	−2.27	6.80-7.30dis	−3.33
Sweden	8.0850-8.1020	8.0850-8.0900	1.20-1.40ore dis	−1.93	3.20-3.40dis	−1.63
Japan	233.50-234.70	233.75-233.85	0.75-0.70y pm	3.72	2.05-2.00 pm	3.46
Austria	19.49-19.52	19.49½-19.50½	6.90-6.20gro pm	4.03	19½-16½ pm	3.69
Switz.	2.2050-2.2140	2.2095-2.2105	1.10-1.00c pm	5.70	3.20-3.10 pm	6.70

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 57.17-57.22.

OTHER CURRENCIES

Dec. 22	£	$		£ Note Rates
Argentina Peso...	31.44-31.52	22.06-22.09	Austria	27.65-27.05
Australia Dollar	1.580-1.5820	1.1060-1.1075	Belgium	80.10-81.90
Brazil Cruzeiro	1,364.2-1,368.3	950-958	Denmark	14.22-14.36
Finland Markka	8.3735-8.4140	5.8800-5.8820	France	11.92-12.18
Greek Drachma	141.30-141.90	99.25-99.75	Germany	3.93¼-3.97¼
Hong Kong Dollar	11.11-11.18	7.7900-7.7920	Italy	2380-2410
Iran Rial	185.75*	88.50*	Japan	333-358

CURRENCY RATES

Dec. 22	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.725708	0.571743
U.S. $	8½	1.04023	0.816165
Canadian $	10.04		1.01826
Austria Sch	3¾	20.2940	16.9070
Belgian F	10	58.6500	46.0071
Danish Kr	7	10.4283	8.17185
D mark	4	2.87967	2.25710

CURRENCY MOVEMENTS

Dec. 22	Bank of England Index	Morgan Guaranty Changes%
Sterling	83.3	−8.2
U.S. dollar	130.5	+18.4
Canadian dollar	92.0	+0.4
Austrian schilling	114.8	+2.5
Belgian franc	90.3	−12.0
Danish kroner	78.2	−6.0

EXCHANGE CROSS RATES

EURO-CURRENCY INTEREST RATES (Market closing rates)

Asian $ (closing rates in Singapore): Short-term 9⅝-9⅞ per cent; seven days 11⅞-11⅝ per cent; one month 10⅜-10⅝ per cent; three months 10⅝-10⅞ per cent; six months 10¾-10⅞ per cent; one year 10⅞-10⅞ per cent. Long-term Eurodollars two years 11⅛-11⅜ per cent; three years 11⅞-12 per cent; four years 12-12¼ per cent; five years 12¼-12½ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

FINANCIAL FUTURES

Conflicting news

Futures markets were faced with some conflicting statistics from the U.S. yesterday. *Wednesday's early flash estimate of* fourth quarter gross national product was well below expectations, and although these early estimates have often been revised upwards in the past, hopes that inflationary pressures may not be as strong as once feared continued to underpin the Eurodollar contract on the London International Financial Futures Exchange.

March delivery Eurodollars opened unchanged at 89.74, and rose to a peak of 89.80, before easing back to close at 89.78, after touching a low of 89.73 on news that U.S. durable goods rose 4 per cent in November, against expectations of about 1 per cent.

Dealers commented that although the durable goods figure was less important than the GNP forecast it once again fuelled fears of higher inflation and firmer interests rates.

Gilt futures were firm, encouraged by the better *performance of sterling on the* foreign exchanges following reports that major oil companies will support unchanged prices for North Sea oil in the first quarter of next year. As cash prices rose March gilts opened at 108-29, compared with the previous close of 108-22. There was a strong rally in the afternoon, following publication of better than expected U.K. trade figures for November. News of a current account surplus of £317m pushed the March gilt to a peak of 109-13, but it eased slightly in late trade to close at 109-08.

Three-month sterling deposit futures were influenced by the same factors, including an easing of London money market interest rates. March delivery opened at 90.37, and closed at the day's high point of 90.41, compared with 90.34 previously.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
March	89.78	89.80	89.73	89.74
June	89.46	89.47	89.43	89.41
Sept	89.22	89.25	89.20	89.18
Dec	88.97	89.00	88.97	88.91
March	88.77	—	—	88.71

Volume 1,454 (1,883)
Previous day's open int 8,892 (8,822)

THREE-MONTH STERLING DEPOSIT

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	69-29	70-00	69-25	69-21
June	69-11	69-13	69-05	69-03
Sept	68-27	68-28	68-22	68-10
Dec	68-12	68-12	68-08	68-03
March	67-31	67-31	67-26	67-22
June	67-19	67-21	67-17	67-11
Sept	67-09	67-09	67-07	67-01
Dec	67-00	67-00	66-30	66-24

Previous day's open int 217 (223)

MONEY MARKETS

UK rates continue to ease

Interest rates were a little easier in London yesterday in rather quiet trading. Short-term rates were influenced by a surplus of *funds forecast by the* Bank of England, while period rates reacted to a small improvement in sterling. The pound's firmer tone followed remarks made by U.S. Treasury Secretary Donald Regan suggesting a general decline in U.S. interest rates.

Sentiment was also improved by Wednesday's announcement of a 4½ *per cent rise* in U.S. Gross National Product for the fourth quarter of this year. The market had been expecting a figure nearer 6 per cent. Taking into account an expected upward adjustment, however, the pace of economic growth may still not be strong enough to force interest rates higher.

The Bank of England forecast a surplus of around £200m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £191m and a rise in the note circulation a further £24m. These were offset by Exchequer transactions of £340m and bank balances brought forward above target by £80m.

The surplus was later revised downwards to £100m but the Bank did not intervene in the morning or afternoon.

Three-month interbank money was quoted at 9⅛ per cent down from 9¼ per cent on Wednesday while three-month eligible bank bills were bid at 8⅞ per cent, unchanged from previously. Overnight interbank money opened at 8¾-9¼ per cent and eased during the afternoon to 5 per cent. Late balances were taken at 7 per cent.

In Amsterdam the Dutch central bank accepted bids of Fl 3.17bn in respect of the latest 5⅞ per cent special advance. *This facility runs from* today until January 6 and is designed to improve money market liquidity. It replaces a previous repurchase facility of Fl 3.49bn also carrying a rate of 5⅞ per cent.

UK clearing banks' base lending rate 9 per cent (since October 4 and 5)

MONEY RATES

Dec. 22	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	6.45-6.50	11¾	1-2	6⅛-6⅝	6.46875	17⅛-17½	10.35	19-15¼
One month	6.45-6.50	12⅛-12¼	4⅜-4½	5⅞-6	6.53125	17⅜-17¾	10½-10¾	19-19¼
Two months	6.30-6.40	12⅛-12¼	—	—	—	—	—	15-15¼
Three months	6.30-6.40	12⅛-12¼	4⅜-4⅞	6⅛-6¼	6.28125	17⅞-19	10⅞-11⅛	12⅝-15⅝
Six months	6.30-6.40	12⅛-12¼	—	6¼-6⅜	—	—	10⅞-11¼	12⅝-12⅞
Lombard	6.0	—	—	—	—	—	—	—
Intervention	—	12	—	6⅞	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11.00 a.m. December 22)

3 months U.S. dollars

bid 10 1/8	offer 10 1/4

6 months U.S. dollars

bid 10 1/4	offer 10 3/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, December 21, 1983. The Exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intended to be used as a basis for, particular transactions.

Bank of America NT and SA does not undertake to trade in all listed foreign currencies, and neither Bank of America NT and SA nor the Financial Times assume responsibility for errors.

Bank of America, Economics Dept., E.M.E.A. London
Eurodollar Libor as of December 21 at 11.00 am
3 months: 10⅛ 6 months: 10⁷⁄₁₆

SDR1 = US$1.03909
Sibor as of December 21 at 11.00 am
3 months: 10⁷⁄₁₆ 6 months: 10⅝

COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	50.60
Albania	Lek	7.1182
Algeria	Dinar	4.981
Andorra	Fr. Franc	8.456
	Sp. Peseta	158.70
Angola	Kwanza	30.214
Antigua	E. Caribbean $	2.70
Argentina	New Peso (f)	21.685
Australia	Dollar	1.1036
Austria	Schilling	19.523
Azores	Port. Escudo	132.70
Grenada	E. Caribbean $	2.70
Guadaloupe	Franc	8.456
Guam	U.S. $	1.00
Guatemala	Quetzal	1.00
Guinea Bissau	Peso	45.3447
Guinea Rep.	Syli	23.7566
Guyana	Dollar	3.00
Haiti	Gourde	5.00
Honduras Rep.	Lempira	2.00
Hong Kong	Dollar	7.787
Hungary	Forint	44.61
Peru	Sol	2243.60
Philippines	Peso (4)	14.01
Pitcairn Is.	N.Z. Dollar	1.5468
Poland	Zloty (O)	95.49
Portugal	Escudo	132.70
Puerto Rico	U.S. $	1.00
Qatar	Riyal	3.6397
Reunion, Ile De la	Fr. Franc	8.456
Romania	Leu (O)	4.47
Rwanda	Franc (B)	98.846

A HOLIDAY QUIZ FOR BANKERS

1. EMS
   In which year did
   a) The DM revalue by 5% against the Danish krone and 2% against other EMS currencies.
   b) The Italian lire devalue by 6% against EMS currencies.
   c) Netherlands guilder revalue by 5.5%
2. FUTURES
   Explain the following initials
   GNMA — LIFFE — KCBT — CFTC
3. PAYMENTS SYSTEMS
   Which UK supermarket group has arranged for the four major UK clearing banks to open ATMs within one of their largest stores and which one.
4. TOP 500—1983
   How many U.S. banks are included within the listing of The Banker's Top 500 largest commercial banks in the world (June issue) measured by asset size 117 or 122 or 93.
   How many Japanese banks 52 or 69 or 61.
   How many West German banks 48 or 44 or 45.
5. In which year is "May Day" of significance to U.S. investment bankers.

Answers will be published in the January issue of THE BANKER.

Please send your answers to:
The Editor, THE BANKER, 102 Clerkenwell Road, London EC1.

INTERNATIONAL CAPITAL MARKETS

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for December 22.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amax O/S Fin 10¼ 90	100	94	94½	+0¼	+0⅛	11.56
Australia Comm 11¼ 00	100	100½	101	+0½	+0⅛	11.87
Australia Comm 11½ 95	300	96	96⅛	−0¼	+0½	12.10
Australia Comm 11⅝ 98	100	96⅛	96⅝	−0⅛	0	12.15
Bank of Tokyo 11 90	100	93⅞	94⅜	+0⅛	−0¼	12.37
Bank of Tokyo 11⅞ 90	100	97½	98⅛	+0⅛	+0⅛	12.29
British Col Hyd 10¼ 88	200	95⅝	95⅛	0	+0⅛	11.50
Britoil Fin 11⅞ 00	125	98⅞	99⅜	−0⅛	0	12.05
Canada 10⅞ 88	500	98½	99	0	+0⅛	11.20
C.C.C.E. 12⅝ 95	75	99	99½	+0⅛	+0½	12.73
C.I.B.C. 11 90	75	92⅞	92⅞	−0⅛	+0½	12.76
Citicorp O/S 10⅞ 90	100	90¾	91¼	+0⅛	−0⅛	12.47
Citicorp O/S 11¾ 90	100	97	97½	0	+0⅛	12.35
Cred Suisse BAH 10½ 90	150†	98½	98⅝	+0⅛	+1⅛	10.85
Den Norsk Cred 11⅛ 93	50	92⅛	92⅝	−0½	−0⅛	12.63
Denmark Kingdom 12¼ 93	100	96½	97	+0⅛	−0¼	12.84
E.C.S.C. 11⅞ 90	78	98⅛	98⅞	+0⅛	−0⅛	12.10
E.D.F. 11⅛ 93	100	91⅜	91⅞	−0⅛	−0¼	12.67
E.E.C. 11 87	350	97⅝	98⅛	−0⅛	−0⅛	11.71
E.I.B. 10¾ 93	200	90⅛	90⅝	0	+0¼	12.52
E.I.B. 11 91	125	93½	94	+0⅛	−0⅛	12.33
Exportfinans 11½ 90	100	95⅞	96⅜	+0¼	−0⅛	12.35
Electrolux 10⅞ 90	50	92⅛	92⅝	0	−0¼	12.24
Fuji Int Fin 10⅞ 00	100†	92⅛	92⅝	0	+0⅜	12.05
GMAC O/S Fin 11⅞ 90	100	99⅝	100⅛	−0⅛	+0⅛	11.38
Honeywell Int 10¾ 90	100	95⅝	96⅛	0	+0⅛	11.69
IC Indust Fin 11⅞ 90	75	95¾	96¼	+0¼	+0⅛	12.48
Indust Bk Japan 11⅞ 91	100	97⅞	98⅜	+0⅛	+0½	12.38
ITT Finance 11½ 89 WW	125	98⅝	98⅛	−0⅛	+0½	11.83
Japan Air Lines 10⅞ 98	42	90½	91⅜	+0⅛	+0¼	12.19
Japan Air Lines 11 93	78	93⅞	94⅛	−0⅛	−0⅛	12.09
J.C. Penney 11⅞ 00	100	100¼	100¾	+0¼	−0⅜	11.74
J. P. Morgan 11⅝ 90 WW	150	96⅝	97⅛	0	−0⅛	12.05
Levi Strauss Int 11 90	75	95⅞	96⅜	+0⅛	−0⅜	11.85
L.T.C.B. 10¾ 90	100	92½	93	+0⅛	+0⅛	12.41
L.T.C.B. 12½ 90	85	100⅝	101⅛	+0¼	+0½	12.27
Merrill Lynch 10⅝ 90	200	93⅝	94⅛	−0⅛	−0⅛	12.03
Mitsubishi Fin 11⅛ 90	100	94¼	94¾	0	+0⅛	12.62
Nippon Credit 11 90	100	92⅞	93⅜	+0¼	+0⅛	12.58
Nippon Credit 11⅞ 00	100	96¾	97¼	0	+0½	12.54
Ontario Hydro 10¼ 90	250	93⅜	93⅞	+0⅛	+0⅛	11.89
Ontario Hydro 11⅞ 90	200	100⅜	100⅞	0	+0⅛	11.59
Pacific Gas & Elec 12 91	75	101⅝	102⅛	−0⅛	−0⅜	11.80
P.K. Banken 12 90 WW	78	96½	96⅞	+0⅛	0	12.81
Prudential 10½ 93 WW	150	95¼	95⅞	+0⅛	−0⅛	10.88
Prudential 10½ 93 XW	150	90½	90⅞	+0½	+0½	11.82
Quebec Hydro 11½ 92	100†	96⅝	97⅛	0	−0¼	12.08
Saskatchewan Pr 10¾ 90	125	94⅞	95⅜	0	+0⅛	11.88
Sears O/S Fin 11½ 88	125	101⅛	101⅝	−0⅛	+0⅛	11.11
Sears O/S Fin 11⅝ 93	150	97½	98	+0⅛	+0⅛	12.01
Sth Cal Edison 10½ 90	78	94⅞	95⅜	0	+0⅛	11.58
Sumitomo Fin 10⅞ 90	100	92⅞	93	+0¼	−0½	12.54
Texaco Capital 10½ 93	200	94	94½	+0⅛	+0¼	11.49
U.S.S. 10 88	100	98½	99	+0⅜	+0⅛	10.34
World Bank 11⅛ 88	100	98⅝	99⅛	0	+0⅛	11.54
World Bank 11¼ 90	200	95⅜	95⅞	−0⅛	−0¼	12.21
World Bank 11½ 90	150	96⅝	97⅛	0	−0¼	12.18
World Bank 12 93	200	98¼	98¾	−0⅜	−0⅜	12.07

Av. price changes: on day −⅛, on week +⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Arab Banking Corp 8 88	100	95⅛	96⅛	−0¼	−0⅜	8.95
Asian Dev Bk 8½ 92	200	99½	100	0	−0¼	8.53
Austria, Rep 7⅛ 89	100	100⅛	101	−0⅜	+0⅛	7.47
Austria, Rep 8 93	100	100⅞	101½	−0⅛	−0⅜	7.87
Avon Int Fin 7½ 93	100	101	101½	+0⅛	−0½	7.30
Barclays O/S 8⅛ 98	250	98½	98⅞	0	+0⅛	8.29
Beatrice Foods 7⅞ 93	130	102⅞	103½	−0⅛	−0¼	7.28
B.F.C.E. 8⅛ 90	150	100½	101⅛	−0⅛	+0⅛	8.06
Dresdner Finance 4 90 WW	250	107⅞	108½	+0⅜	+1⅜	2.67
Dresdner Finance 4 90 XW	250	83	83⅜	+0⅛	+0½	7.29
E.C.S.C. 8 00	100	100⅛	100⅞	−0¼	+1⅛	7.89
E.E.C. 8¼ 93	250	99⅞	100⅜	0	+1⅛	8.20
E.I.B. 8 93	200	98⅛	98⅝	−0¼	+1	8.22
Eurofima 7½ 90	100	99⅞	100⅜	+0¼	+0⅜	7.44
Europarat 8¼ 93	150	98⅞	99⅜	0	0	8.36
Finland Rep 8 90	150	98⅞	99⅜	−0⅜	−0⅛	8.10
Int Standard Ele 7⅞ 92	100	102	102⅜	−0¼	0	7.39
Ireland 8⅝ 91	150	99½	100	0	+0⅛	8.66
Japan Dev Bank 7½ 90	100	100⅜	101	0	−0⅛	7.36
L.T.C.B. 8 90	100	100¼	100¾	−0⅛	+0⅛	7.89
Renault Acceptance 8 90	150	98⅛	98⅝	−0⅛	+0½	8.29
S.N.C.F. 8⅛ 93	100	99⅛	100	+0⅛	0	8.10
VEBA Int Fin 4 93 WW	300	107	107½	+1	+1	3.14
VEBA Int Fin 4 93 XW	300	73½	74	+0¼	+0½	7.90
World Bank 7½ 00	250	97⅝	98½	+0⅛	+0⅜	7.80
World Bank 7⅛ 88	300	99½	100	0	+0⅛	7.52

Av. price changes: on day −⅛, on week +⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex O/S Fin 7¼ 91	57	78¾	78	0	+0¼	11.45
Bank of Tokyo 6 91	100†	102¼	102¾	+0¼	+0⅜	5.58
Bergen, City of 5⅝ 95	40	100½	100⅝	0	−0⅜	5.67
Denmark 6⅛ 91	100	102½	103	0	+0½	5.90
E.E.C. 6 93	100	101⅛	101⅜	0	−0⅛	5.77
Europarat 6⅛ 93	100	98⅞	98⅝	−0⅛	−0¼	6.33
Ind Fund Finland 6⅛ 91	40	101	101¼	0	−0⅛	6.06
Int-Am Dev Bk 6 93	100	98⅞	98⅝	−0½	−0¼	6.20
Ireland 6½ 93	80	99½	99¾	+0⅛	−0⅛	6.55
Japan Dev Bank 5⅞ 93	100	101⅞	102	−0⅛	0	5.62
Jap Highway Pub 5⅝ 91	100	100	100¼	0	0	5.60
Kansai Ele Power 6 91	100	101⅝	101⅞	−0½	−1	5.78
Kawasaki Steel 6½ 91	100	101	101¼	−0⅛	0	6.83
Manitoba Prov 5⅛ 93	100	102	102½	−0¼	+1⅛	5.22
Mont Blanc Tunl 5⅞ 93	38	102⅝	102⅞	0	+0⅛	5.89
Mount Isa Finance 6 93	100	102⅞	103	−0⅛	+0½	5.60
MTG Bk Denmark 6⅛ 91	80	99½	99¾	0	+0⅛	6.21
New Brunswick 5⅞ 93	100	101⅞	102	+0⅜	0	5.49
Nippon Tel & Tel 5⅞ 93	100	101⅜	101⅝	−0⅛	−0⅛	5.55
Nisshin Steel 6⅛ 91	100	101⅜	101⅝	−0⅛	+1	5.89
Osterr Post 6⅛ 91	100	102¾	103	−0¼	−0⅜	5.64
Quebec Province 5⅞ 93	100	99¾	100	0	−0½	5.94
Shikoku Elec Power 6 91	100	102	102¼	0	+0⅛	5.66
Sumitomo Heavy Ind 6 91	100	101¾	102	−0⅛	+0¼	5.69
Tokyo Elec Power 5⅞ 91	100	102¼	102½	+0¼	0	5.48
Trizec Corp 6⅞ 93	100	100⅛	100⅜	+0⅛	+0⅛	6.80

Av. price changes: on day 0, on week +⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅝ 92	15	100¼	100½	0	−0⅛	7.58
E.I.B. 8¼ 92	15	103	103¼	0	0	7.68
Int-Am Dev Bk 7⅞ 93	15	100⅞	101	0	0	7.78
New Zealand 7⅞ 89	18	103⅛	103⅜	0	+0⅛	6.96
World Bank 7⅞ 93	20	100⅞	101⅛	+0⅛	+0⅛	2.51

Av. price changes: on day 0, on week 0

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
British Col Hyd 12 93 C$	125†	97¼	97¾	+0½	+0½	12.45
Farm Credit 12¼ 88 C$	75†	100⅛	100⅝	+0¼	+0⅛	12.11
Loblaw 12½ 90 C$	35†	97⅝	98⅛	0	0	12.98
TB MTG Corp 12⅛ 88 C$	40†	100⅝	101⅛	+0⅛	+0⅛	12.20
Quebec Hydro 12¾ 93 C$	50†	101¼	101¾	+0½	+0¼	12.45
Royal Trstco 12⅝ 88 C$	50†	101	101½	0	0	12.25
World Bank 12⅛ 90 C$	75†	99⅞	100⅜	0	0	12.20
E.E.C. 11 93 ECU	50	99¼	100⅛	−0¼	−0⅜	10.98
Coofinance 11 90 ECU	80	98⅞	99⅜	0	+0⅜	11.14
Algemene Bank 8⅜ 88 Fl	150	102⅞	102⅞	0	−0⅛	8.03
Bank Mees & Hope 8 88 Fl	78	103	103½	+0⅛	+0⅛	8.13
Elect Sup Brd 8⅜ 88 Fl	75	97⅛	97⅝	0	−0⅛	9.47
P.H.P. 8⅜ 88 Fl	50	102¼	102¾	0	+0⅛	8.06
Swed Exp Cred 7¾ 88 Fl	100	96⅝	97⅛	0	+0½	8.84
World Bank 8 88 Fl	100	103	103½	0	+0⅜	8.12
O.K.B. 14 88 FF	400	101⅛	102⅛	0	0	13.02
Solvay & Cie 14⅜ 88 FF	200	102¼	103¼	+0⅛	+0⅛	13.10
B.F.C.E. 11½ 88 £	50	98⅞	99½	0	0	11.72
British Oxyg 11⅜ 91 £	50	99⅞	100⅝	−0½	+0⅛	11.67
CEPME 11⅛ 95 £	35†	103	104	0	0	10.68
CIBA-Geigy Int 6⅜ 93 £	25	100	101	+0⅜	+0⅜	6.58
E.E.C. 11⅞ 91 £	50	100½	101¼	−0⅛	0	11.67
E.E.C. 11⅞ 93 £	50	100⅝	101⅜	+0⅛	+0⅛	11.88
Fin For Ind 10½ 90 £	20	94⅞	95⅜	0	−0¼	11.82
Finland Rep 11⅛ 88 £	50	100¼	101	+0⅛	−0⅛	11.66
Gen Elec Co 12⅛ 89 £	50	103⅝	104⅜	−0⅛	−0⅜	11.41
I.I.I. 10⅜ 93 £	25	94⅞	95⅝	0	+0⅛	11.57
I.I.I. 11½ 91 WW £	50	99	100	0	0	11.58
Mort Bk Fin 11⅜ 88 £	15	97⅞	98⅞	0	0	12.14
Norsk Hydro 12 90 £	30	100⅝	101⅜	0	+0⅛	11.75
Sweden 11⅛ 93 £	50	98⅛	98⅞	0	−0⅛	11.49
Swed Exp Cred 11⅛ 88 £	30	98⅛	99	0	−0⅛	11.81
World Bank 11⅛ 88 £	100	98½	99¼	0	−0⅛	11.41
Eurofima 10 91 LuxFr	600	99⅛	100⅛	0	0	10.06
Europarat 10⅜ 93 LuxFr	800	100⅛	101⅛	0	0	10.02

FLOATING RATE NOTES	Spread	Bid	Offer	C.date	C.cpn	C.yld
Allied Irish Bk 5⅛ 95	0⅛	98	98¼	8/6	5⅛	5.35
Banco di Roma 5⅛ 90	0⅛	99½	99¾	7/6	5⅛	0.27
Belgium 5 2004	0⅛	98½	98¾	9/1	5	5.07
B.F.C.E. 5⅛ 88	0⅛	99¾	100	20/1	10.10	10.10
C.C.F. 5⅛ 95	0⅛	98⅞	99⅛	2/4	5.94	9.98
C.C.F. 5⅛ 98 $	0¼	99⅞	100⅛	24/3	10.10	10.10
CEPME 5⅛ 88 WW †	0⅛†	99¾	100	3/3	10.31	10.33
C.N.C.A. 5⅛ 95 XW	0⅛	99½	99¾	7/6	10½	10.54
C.N.T. 5⅛ 91	0¼	99⅜	99⅝	6/5	10.10	10.24
Credit Foncier 5⅛ 92	0⅛	99½	99¾	8/4	10	10.04
Credit Lyonnais 5⅛ 94	0⅛	99⅛	99⅜	5/1	10.31	10.35
Credit Lyonnais 5⅛ 97	0⅛	99⅛	99⅜	1/4	10	10.06
Denmark 5⅛ 90 $	0⅛	98⅞	99⅛	13/4	10	10.05
Dresdner Fin 5⅛ 93 XW	0⅛	99⅞	100⅛	15/4	9.94	9.94
E.D.F. 5⅛ 85 XW	0⅛	99⅝	99⅞	10/2	11⅛	11.40
E.E.C. 5 90	0⅛	100	100⅛	1/1	10.10	10.17
First Interstate 5⅛ 85 $	0⅛	99⅛	99⅜	6/3	6⅛	6.29
Fuji Int'l 5⅛ 98	0⅛	99½	99¾	12/1	5⅛	5.27
GZB 5⅛ 98	0⅛	99⅝	99⅞	28/5	5⅛	5.20
Hispano 5⅛ 95	0⅛	97⅞	98	28/4	10	10.22
NZ Steel Dev 5⅛ 92 $	0⅛	99⅞	100⅛	22/12	10⅛	10.25
Safeway Int 5⅛ 93	0⅛	99⅝	99⅞	5/2	5⅛	8.25
Soc Generale 5⅛ 98 XW	0⅛	99½	99¾	1/5	10.31	10.35
Sweden 5⅛ 93	0⅛	100⅛	100⅜	3/2	11.10	11.10
Sweden 5⅛ 2003 $	0⅛	99⅛	99½	17/8	5⅛	5.20

Av. price changes: on day 0, on week 0

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Bridgestone Tire 5½ 98	3/82	478	136⅞	138⅜	+0½	2.43
Canon 7 97	7/82	690.2	244	245	+0½	2.31
Daiwa Sec Co 5½ 98	10/83	481.8	94	95½	−0⅛	−4.87
Fanuc 3⅜ 98	1/84	3142	117½	118½	−0⅛	7.13
Hitachi Cable 6⅛ 96	2/82	515	112¼	113⅜	+0⅛	−8.37
Honda Motor 5⅛ 98	6/83	884	125⅝	126⅝	+0⅛	2.44
Honda Motor 6⅛ 97	3/83	758.8	144	146½	+0⅛	6.78
Konishiroku Photo 4 98	10/83	673	99⅛	100⅝	−1⅛	2.78
Kyowa Hakko 6⅛ 97	2/83	782	110⅝	111⅝	−0⅛	10.85
Minebea Co Ltd. 5½ 98	5/83	887	100⅝	109⅝	−1⅛	−2.56
Mitsubishi Electric 5⅛ 98	6/83	398	110	111	+0⅛	4.84
Mitsubishi Heavy 4⅜ 98	1/84	253	105⅞	106⅛	−0⅛	−0.39
Nippon Electric 5⅛ 97	2/82	785.5	101	103	+0⅛	8.88
Nippon Oil Co 6½ 98	4/83	864	113⅜	114⅜	−0⅛	8.48
Nissan Motor 5⅜ 98	4/83	790	107⅛	108⅛	+1⅛	1.02
Olympus Optical 6⅜ 97	12/82	1157	109⅞	111⅛	0	2.77
Orient Leasing 6⅛ 98	8/83	2888	98⅛	99⅛	−0⅛	9.93
Secom 0 98	11/83	2828	144½	146	−0⅜	−3.71
Yamaichi Sec Co 5 88	6/83	446.5	95⅞	97⅛	+0⅛	−2.26
Yamanouchi Pharm'cal 4 98	10/83	1086	101¼	102⅛	+0⅛	11.85
Bridge Oil 4⅜ 93 SF	3/84	3.43	102⅝	103⅛	+0⅜	17.78
Sattau Paper 3⅜ 93 SF	8/83	718	103⅜	105⅛	+1⅜	15.85
Maiez 8 92 DM	12/83	828	111½	112½	−0⅛	3.21
Konishiroku 6⅛ 88 DM	6/82	618	122⅛	123⅛	−0⅛	−3.18
Sow Realty 6⅛ 92 DM	2/83	385	131⅛	132⅛	−1⅛	−8.88

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield is redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three month, § above mean rate) for U.S. dollars. C.cpn = current coupon. C.yld = current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

CSFB-led group wins Australian mandate

BY MARY ANN SIEGHART

A GROUP of banks led by Credit Suisse First Boston has beaten off fierce competition to win the mandate for the major part of a A$137m financing package for the State Electricity Commission of Victoria.

The borrower was looking for extremely fine terms coupled with a long maturity and it is understood that nearly 40 groups were bidding for the mandate.

The final deal, which is subject to confirmation by the State Loan Council, consists of A$100m of floating rate Euronote facility, probably in U.S. dollars and arranged by CSFB with the Commonwealth Trading Bank of Australia and Sumitomo Trust and Banking; and a A$37m equivalent fixed-rate sterling private placement arranged by Mitsubishi Finance International.

The floating rate portion will have a 15-year maturity with an average life of 12½ years and the spread over the London interbank offered rate (Libor) will be determined by a tender panel up to a maximum of ⅛ point. The borrower will have the choice of using one-, three- or six-month Libor.

Underwriting fee for USAir bond blocked

BY MARY ANN SIEGHART IN LONDON

UNDERWRITING banks in the $50m convertible Eurobond for USAir arranged by Lehman Brothers Kuhn Loeb in August have been told that they will receive no underwriting fee for their participation.

Underwriters normally receive a flat payout for their service unless the bond performs badly and the lead manager loses money on its stabilisation account. This happens if the lead manager buys the bond back in the market in an effort to maintain the price level and then finds it can only resell at even lower levels.

The USAir bond was priced at the time of issue – which is unusual for a convertible – and the stock price subsequently fell sharply. The bond itself fell to levels as low as 81 at one point compared with its issue price of 100. (It has now recovered to 97½.)

Mr Jacques Gelardin, a managing director at Lehman Brothers, said yesterday, "The stabilisation losses went beyond the underwriting fees but we decided that, rather than billing people, we would absorb the losses ourselves and just not send any cheques out." The losses are understood to be less than $100,000.

Elsewhere, international bond markets were quiet. There was very little trading in the dollar sector and prices closed unchanged. Prices in Switzerland and Germany edged up slightly in low turnover.

Knogo Finance, the U.S. electronic company, is raising SwFr 35m through an eight-year public convertible issue with a 5⅛ per cent indicated coupon. Banque Gutzwiller, Kurz, Bungener is lead manager.

BHF Bank bond average		
Dec 22		Previous
98.101		97.967
High	1983	Low
102.017		97.699

WEEKLY U.S. BOND-YIELDS (%)	Dec 21	Dec 15	1983 High	1983 Low
Composite Corp. AAA	12.26	12.35	12.80	10.82
Composite Corp. AA	12.50	12.49	12.83	10.78
Governments:				
Long-term	11.76	11.90	11.93	10.18
Intermediate	11.57	11.70	12.05	9.83
Short-term	10.91	10.99	11.28	9.21
Municipal	N/A	N.A.	10.01	8.72
Industrials AAA	12.08	12.16	12.36	10.61
Industrials AA	12.37	12.37	12.82	10.72
Utilities AAA	12.64	12.64	12.81	10.75
Utilities AA	12.63	12.61	13.06	10.35
Preferred Stocks	11.46	11.47	11.47	10.58

Source: Standard & Poor's

PUBLISHED IN LONDON AND FRANKFURT
No. 29,205 Saturday December 24 1983 *** 35p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 35; DENMARK Kr 7.00; FRANCE Fr 5.50; GERMANY DM 2.00; ITALY L 1,100; NETHERLANDS Fl 2.25; NORWAY Kr 6.00; PORTUGAL Esc 65; SPAIN Pta 95; SWEDEN Kr 6.50; SWITZERLAND Fr 2.00; EIRE 60p; MALTA 30c

SAVINGS AND INVESTMENT — COMPUTER SOFTWARE — When the games are over — P.6
BOOKS — P.15 — Ghosts in fact and fiction — LITERARY COMPETITION
FEATURES — Christmas at Butlin's—and the Ritz — P.12 — 1984 IN THE CITY — P.13 — The awful secret of room 101
TRAVEL — P.8 — Caribbean winter delights
HOW TO SPEND IT — P.9 — Christmas quiz — Plus TV and Radio Guide

WORLD NEWS

Reagan 'keen to meet' Andropov

U.S. President Ronald Reagan told the West Germans he is "very interested" in meeting Soviet leader Yuri Andropov, Chancellor Helmut Kohl said.

In an interview on West German television, Kohl said: "I know from our American friends from a message that he personally is very strongly interested, whenever possible, in meeting soon with the Soviet General Secretary Andropov.

"We should do everything to make such a meeting possible."

Kohl also said he expects the Soviets to return to arms negotiating tables in Geneva and Vienna and thinks there is a good chance relations will improve between the two superpowers in the next year and a half.

The Financial Times wishes all its readers a very happy Christmas.

There will be no publication on December 26 and 27. The next issue of the FT will appear on December 28.

Earthquake kills 200

At least 200 people died in an earthquake three days ago in north-west Guinea, West Africa. About 300 were injured and thousands left homeless in the Gaoual area, 300km north-west of the capital of Conakry.

Milan blast: 4 die

Four people died and two were injured when a bottle of gas exploded in a central Milan restaurant packed with office workers celebrating Christmas.

Military faces trial

Argentina's parliament passed overwhelmingly a bill to repeal September's amnesty of military officers responsible for kidnappings, torture and political assassination during the last eight years of military rule.

Concordes broken up

Air France has begun stripping three of its Concorde aircraft to provide spares for the other four in service. Page 2

Woman governor

The Queen approved the appointment of Canada's first woman governor general, the Hon Jeanne Sauve, 61, who will succeed the Right Hon Edward Schreyer early in the New Year.

Gifts flood Greenham

The 100 women spending Christmas at Greenham Common said they had received so many gifts of food and clothing that they would be sending much of it on to old people's homes and to Oxfam.

Papal peace message

The Pope, in a message for a world day of peace on January 1, said the presence of new nuclear missiles in Europe caused justifiable concern, which he understood. He also condemned "dangerous adventures" and big-power interference in internal conflicts.

Chirac-jack

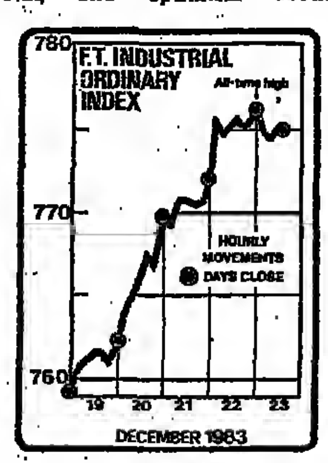
Five youths stole a wax statue of Paris mayor Jacques Chirac, making their getaway after tossing a teargas grenade at security guards at the Grevin Museum.

BUSINESS SUMMARY

Miners' fund bids for U.S. trust

THE MINEWORKERS Pension Fund and the National Coal Board Staff Superannuation Scheme have bid $123m (£86m) for Rampac, a Californian real estate investment trust, which has been holding takeover talks with a New York-based investment group. The fund was authorised to proceed with the bid by a High Court judge less than 24 hours earlier. Back Page

EQUITIES drifted lower in a shortened trading session, but the underlying tone remained firm with continuing hopes of cheaper money, here and in the U.S., and optimism about



Britain's economic prospects underpinning sentiment. The FT's Industrial Ordinary Index eased 1.2, but at 775 retained a gain of 15.7 on the week. Page 20

AMERICAN TELEPHONE and Telegraph (AT & T), the U.S. telecommunications giant, which is to be broken up on January 1, launched a court action against six Bell operating companies, which are AT & T's own subsidiaries until January 1, accusing them of trying to sell to the U.S. Government 200,000 telephones and other equipment which is not theirs to sell.

BRITISH SHIPBUILDERS are expected to meet Acas officials next week in a final attempt to avert the national shipbuilding strike called for January 6. Workers at the small Henry Robb, Edinburgh, yard voted against the strike, the first to do so. Back Page

SOUTH AFRICA is to abolish import controls on a wide range of products and simplify its import permit system from January 1. Back Page

GARAGE WORKERS will receive pay increases of up to 5.6 per cent on basic rates from next month under a deal agreed by unions and management which gives an across the board pay rise of £3.51 a week. Page 4

SENIOR CIVIL SERVANTS' pay claim for increases of more than 12 per cent has been rejected by the Treasury and the Government is refusing to allow arbitration. Page 4

SWISS NATIONAL BANK liberalised its rules on capital exports, allowing foreign borrowers to raise up to SwFr 200m (£63m) in one go on the Swiss public bond market from January 1. Page 19

NEW ZEALAND'S SECOND biggest company, New Zealand Forest Products bid NZ$560m (£240m) for control of Wattie, the country's major food company. Page 19

Christmas retail sales show sharp gains

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

BRITAIN'S RETAILERS are enjoying their best Christmas since before the recession started, according to stores throughout the country yesterday.

With shops expected to be packed today with last-minute gift-buyers, trade estimates suggest the level of high street consumer spending will be about 6 per cent higher in volume terms than last year and back to the level of Christmas spending prior to the onset of the economic recession in late-1979.

The only blemish on the overall picture has been the lower level of trade in central London because of shoppers' fears of further bomb explosions following the blast outside Harrods last Saturday.

Reports from Harrods and other large central London department stores such as Selfridges, however, suggest the level of trade has steadily increased in the week.

The most popular gifts this Christmas, say retailers, have been personal computers and electronic games. Some stores, though, report an upsurge in sales of luxury items such as expensive perfumes or exotic lingerie.

Retailers believe the sales surge this Christmas is due to several factors including average earnings rising faster than the inflation rate, consumers being less willing to save, credit sales being exceptionally high and the black economy appearing to flourish.

Mr David Johnson, chief executive of Rumbelows electrical goods chain, says its sales value has been about 20 per cent higher than last year's level, with personal computers and portable televisions leading the spending spree.

Debenhams department stores group, with 67 stores throughout the country, expects sales this week to have risen by 23 per cent in value terms over the same week last year.

The John Lewis Partnership department stores reported a sales rise of 12.9 per cent for the week ending December 17.

The 76 Waitrose supermarkets had a 14.3 per cent rise and are doing even better this week, the company says.

Marks & Spencer, Britain's biggest retailer, says it is very pleased with the level of trade. Sales of its new gift ranges have gone particularly well, with some lines selling out.

Halfords, the car-parts and accessories retailer, says bicycles have been a best-seller. The company said its 360 outlets nationwide have experienced unprecedented sales levels, not only for bikes but also for all the accessories, such as crash helmets, gloves, pads, jerseys and trousers.

The buoyancy of consumer spending was confirmed this week by the latest survey of the distributive trades conducted jointly by the Financial Times and the Confederation of British Industry.

This found that three-quarters of retailers survey expected a higher level of sales this Christmas compared with last year.

Multiple retailers with stores spread throughout the country say there has been little regional variation in the level of consumer spending.

Mr Johnson of Rumbelows said there seemed to be no depressed regions as far as consumer spending was concerned.

The John Lewis Partnership, however, said the sales momentum before Christmas had built up later in the regions than in London.

The impact of the bomb outside Harrods last week clearly took the edge off what had been very buoyant trading for most of retailers in central London.

Harrods said yesterday the level of trade this year would still be higher than last Christmas.

Many retailers are turning their attention to the annual bargain sales, due to begin next Tuesday or Wednesday for most stores. Harrods, however,

Continued on Back Page

FitzGerald offer welcomed

BY MARGARET VAN HATTEM, POLITICAL CORRESPONDENT

THE BRITISH and Irish Governments yesterday expressed a new sense of urgency and determination to work together in the coming months in trying to resolve the problems of Northern Ireland.

Mrs Margaret Thatcher, who paid a surprise six-hour visit to Northern Ireland, responded warmly to comments by Dr Garret FitzGerald, the Irish Taoiseach (Prime Minister), published in yesterday's edition of the Times.

She said: "I warmly welcome the Taoiseach to step up even further our co-operation in the battle against terrorism.

"Jim Prior and I will do everything in our power to achieve peaceful political progress in the year ahead."

Mrs Thatcher, who was speaking in Belfast, went out of her way to praise Mr Prior and dispell suggestions that he did not have her full support. She said: "We have a superb Secretary of State for Northern Ireland who is dedicated to the people of the Province."

In his Times article, Dr FitzGerald said the Irish people felt a stronger sense of shared grief and outrage with the British people over the Harrods bombing than had ever been felt before and he condemned the "criminals" and the "gunmen with a distorted sense of history" who, with no justification, sought to create emnity between Britain and Ireland.

Mr Prior also warmly welcomed Dr FitzGerald's comments. The Ulster secretary accompanied Mrs Thatcher and her husband on their visit.

Behind the mutually supportive statements of the two governments, however, differences remain. Dr FitzGerald, stressed the overwhelming need for political progress and referred to Britain's "over emphasis on security policy at the expense of politics." This had contributed to the alienation of the Ulster minority. He also spoke of Irish resentment over the "score of direct or indirect contact" between British Ministers and Republican paramilitaries which had helped to bolster the gunmen's faith in the bomb and the bullet.

Both Mrs Thatcher and Mr Prior, however, appeared still to be laying stress on security rather than political developments and restricted their comments on co-operation with the south to security matters.

Much of Mrs Thatcher's visit was spent visiting members of the Royal Ulster Constabulary, the Army, and Ulster Defence Regiment, and praising them for their work. She also visited a shopping centre in Newtownards, Co Down, and talked to shoppers.

Falklands are British, says Thatcher, Page 3

Clash on impact of bank strike

BY PHILIP BASSETT, LABOUR CORRESPONDENT

BANK EMPLOYERS said last night that the vast majority of branches in England and Wales were unaffected by the call for a half-day strike yesterday by the Banking, Insurance and Finance Union over Christmas working arrangements.

The union hotly disputed the banks' figures of the number of bank branches affected, and number of staff heeding the strike call. Bifu pronounced itself satisfied with yesterday afternoon's action.

It called the strike after the decision by the five main clearing banks to open all day yesterday, the final trading day before Christmas. The union said that this was contrary to usual bank practice in recent years on noon closing. The banks disputed that closing at this time had been the custom for the last 15 years.

Bifu balloted its 80,000 members in the clearing banks on the strike. It found 24,058 in favour (53 per cent of those voting) and 21,084 against. Mr Leif Mills, Bifu general secretary, described this as a "clear mandate" for a strike, and predicted that the position yesterday would be "chaotic."

Bank employers estimated that only 110 bank branches were affected out of a total of about 11,000. Only about 6,000 staff took part out of the 250,000 employed by the banks.

Though the totals fluctuated during the day, reliable employers' estimates showed at the end of the day that bank-by-bank the numbers of branches closed were: Lloyds 38; Midland 23; Williams & Glyn 17; Barclays 12; and National Westminster 10.

Many stoppages were in North-East England and in Wales. Key computer and cheque-clearing operations seemed to have been barely affected.

Bifu claimed that 2,500 branches or offices were affected, supported by 60 to 70 per cent, about 45,000-52,000, of its balloted membership. The union said that even members not in favour of action in the ballot took part.

In such strikes there is usually a disparity between employers' and unions' claims about numbers taking part, and the effect.

Even given that, the gap on this occasion is unusually large, and neither side had an explanation.

Mr Mills said: "Our members have responded very well.

"We have made our point. We have had a good day. We are quite confident that the vast majority of our members actively participated.

The union received a setback yesterday when an arbitration inquiry into Christmas bank opening found in favour of the employers.

Though the arbitration was about holiday opening on Guernsey and was brought under Channel Islands law, the banks regarded it as a test case.

Mr Mills said that the significance of the finding was its silence on whether the 1982 holiday agreement covered Christmas working, as the banks claim.

The banks are more likely to be impressed by the arbitration's finding. Dr Norman Ross, of Birmingham University, said that "the current agreement does not entitle staff to compensation [for the half-day spent working at Christmas] and I award accordingly."

Pertini says Italian troops should be recalled from Beirut

BY ALAN FRIEDMAN IN ROME AND OUR FOREIGN STAFF IN LONDON

PRESIDENT Sandro Pertini of Italy yesterday called for a withdrawal of the Italian peace-keeping troops from Lebanon and launched a scathing attack on the Reagan Administration's policy in Lebanon.

Sig Pertini told Italian journalists at the presidential palace that the Italian contingent in Lebanon no longer had any reason to be there and "should be withdrawn." The president said that while the Palestinian Liberation Organisation was still in Lebanon, the presence of Italian troops made sense. With the departure of Mr Yassir Arafat, there was no clear reason for Italian troops to remain.

In the most direct criticism of U.S. policy by an Italian government official, Sig Pertini said: "Let us be clear. The Americans are there to defend Israel, not to defend peace. They are bombing Lebanon with tons of bombs."

Although the Italian president's role is non-executive, his comments are certain to cause a political storm in Rome. Western diplomats said the remarks came "out of the blue" and seemed designed to put public pressure on the government.

Earlier this week Sig Giovanni Spadolini, the Minister of Defence, told Parliament that the time had come for a "balanced reduction" of the Italian contingent, which at its peak numbered over 2,100 men.

Behind the scenes the Government is believed to be seeking ways to achieve a phased reduction, partly in response to domestic pressure and partly because Italy believes the original mission of the peace force has been distorted by the aggressive action of the U.S. and French contingents.

The British and French Ministers of Defence both flew to Beirut yesterday to bolster the morale of their troops serving as part of the multinational peacekeeping force and to review security arrangements.

Mr Michael Heseltine, the British Minister, said: "I don't want to talk about pulling out. What we are trying to do is to encourage the dialogue going on between warring factions." He continued. "There are risks even to Britain if this situation is to escalate. One must realise that the superpowers are very close to each other in this part of the world and that there are implications."

M Charles Hernu of France, said he would be spending Christmas with the French contingent and planned to deliver a message from President Mitterrand to President Gemayel of Lebanon.

Israel meanwhile broadened its criticism of the meeting on Thursday between President Mubarak of Egypt and Mr Yassir Arafat, the chairman of the PLO, to include the role allegedly played by the U.S.

Mr Yitzak Shamir, the Israeli Prime Minister told Mr Christopher Dodd, a U.S. Senator visiting Jerusalem, that Washington had erred in encouraging the meeting.

Mr Shamir is said to have asked his visitor: "What was the necessity of reviving Arafat in such an artificial manner and restoring his stature as a political factor in the Middle East?"

Israeli radio said yesterday that the U.S. had failed to grasp the significance of the Cairo meeting and that it was a "bad omen for the future."

Egyptian newspapers meanwhile praised the talks as evidence of Egypt's importance to the Palestinian cause. Israel's "negative" reaction was described as "deplorable" and was compared with similar responses from Palestinian factions hostile to Mr Arafat.

Syria has intensified its campaign against Mr Arafat. The daily newspaper, Tishrin, said yesterday: "Arafat has dropped his last mask and shown himself to be deeply involved with Camp David. Arafat has drowned himself in the conspiracy against the Palestinian cause."

Col Muammer Gadaffi, the Libyan leader, also condemned the Cairo talks. He said Egypt should remain ostracised from the Arab world until it had torn up its agreements with Israel.

Nothing new in Lebanon or Israel—the Bible tells us so

By David Lennon in Tel Aviv

Theologians are fond of say[ing] that everything is foretold [in] the Bible. Just so, say[s] David Goss, who served [as] Australia's ambassador in T[el] Aviv for the past three yea[rs]. Or, to quote Ecclesiast[es] "There is no new thing und[er] the sun."

From the Lebanon war to [the] state of the Israeli econom[y] all is foreshadowed.

Mr Goss noted in a forew[ord] speech lines which descr[ibe] the original aim of Isra[el's] invasion of Lebanon: "Wh[at] have ye to do with me, Tyre, and Sidon, and all [the] coasts of Palestine? . . . if [ye] recompense me, swiftly a[nd] speedily will I return yo[ur] recompense upon your ow[n] head." (Joel 3.4.)

The effects of that war a[re] recorded in Isaiah 33 "Lebanon is ashamed a[nd] hewn down: Sharon is like [a] wilderness."

But Habakkuk 2.17 also co[n]tains a warning for Isra[el] "The violence of Leban[on] shall cover thee."

Israelis have been divided [in] their reaction to the war, t[he] Ambassador points out. Som[e] sing the Song of Solomon 4 —"Come with me fro[m] Lebanon"—but others argu[e] "Thou shouldst have smitt[en] five or six times; then had thou smitten Syria until th[ou] hadst consumed it." (II Kin[gs] 13.19.)

Turning to relations wi[th] Damascus, Mr Goss finds th[at] in II Kings 6.8 it is note[d] "The king of Syria warre[d] against Israel." Syria's polic[y] according to I Kings 22.3[1] is: "Fight with neither gre[at] nor small, save only with t[he] king of Israel."

Perhaps because of this, Isra[el's] expectations of the U.S. a[re] foretold in II Samuel 10.[11] "If the Syrians be too stron[g] for me, then thou shalt hel[p] me."

I Kings 20.22 also reflects th[e] current deliberations in Jeru[salem]: "Go, strengthen th[y]self, and mark, and see wh[at] thou doest: for at the retur[n] of the year the king of Syr[ia] will come up against thee."

Continued from Page 1

MARKETS

DOLLAR

New York lunchtime
DM 2.75875
FFr 8.445
SwFr 2.1995
Y233.95
London:
DM 2.757 (2.7675)
FFr 8.4375 (8.455)
SwFr 2.1956 (2.21)
Y233.7 (233.8)
Trade Weighted 130.3 (130.5)
Tokyo close Y234.1

U.S. LUNCHTIME/ RATES

Fed Funds 9⅞% (9⅞)
3-month Treasury Bills: 8.94% (8.95)
Long Bond: 101⅞ (101⅜)
yield: 11.85 (11.85)

GOLD

New York: Comex Dec latest $380.3 ($382)
London: $380½ ($377½)

STERLING

New York lunchtime $1.43175
London: $1.433 (1.4275)
DM 3.95 (3.9525)
SwFr 3.145 (3.1575)
FFr 12.085 (12.065)
Y335 (334)
Trade weighted 82.5 (82.3)

LONDON MONEY

3-month interbank: mid rate 9[illegible]% (9[illegible])
3-month eligible bills: buying rate 8[illegible]% (8[illegible])

STOCK INDICES

FT Ind Ord 775 (−1.2)
FT-A All Share 469.24 (−0.1%)
FT-A long gilt yield index: High coupon 10.11 (10.12)
New York lunchtime: DJ Ind Av 1,251.83 (−1.83)
Tokyo: Nikkei Dow 9,684.17 (−25.25)

Chief price changes yesterday, Back Page

CONTENTS

For latest Share Index phone 01-246 8026

Propaganda war for peace on earth hots up

David Buchan assesses the East bloc's response to N-arms escalation

AS MOSCOW prepares the deployment of new nuclear missiles in East Germany and Czechoslovakia, Soviet bloc governments are taking steps to keep their own unofficial peace protest groups quiet and to shut Western anti-nuclear campaigners out.

Repression has already started in the three countries where fledgling peace movements have sprung up. Nearly 100 East German activists have been expelled this year and two women were arrested this month for resisting the new law on female conscription.

In Czechoslovakia the jailing earlier this year of Mr Ladislav Lis, a member of Charter 77, the Czech human rights group, for contacts with Western peace movements, has been followed by a warning to other Chartists that similar "offences" would get similar treatment.

The reaction of the Hungarian authorities has been less harsh. The year-old "Peace Group for Dialogue" was formally dissolved this summer, after police briefly detained the organisers of an "international peace camp" in Budapest and kicked Western participants out of the country. The Hungarian peace group still meets informally, but its activities are very circumscribed by the general squeeze of the Kadar Government on political dissent.

After the failure of Western anti-nuclear demonstrators to stop the deployment of Nato missiles, governments in the East now have less use for them. This was made very clear this month when a West German group including representatives of the "Greens" some of whom had earlier met Herr Honecker, the East German leader, were barred from entering East Germany. While this may have been specific displeasure at the *Bundestag* vote in favour of Pershing missile deployment, members of Western peace movements are generally finding it harder now to get visas for the East.

Eastern governments are trying hard to break the links between Eastern and Western peace groups precisely at the time when Western groups, like the London-based European Nuclear Disarmament (End), are finding more common ground with their Eastern counterparts.

There have been two reasons why this meeting of minds has not been easy. The first is the innate suspicion by many Eastern dissidents that unilateral nuclear disarmers in the West are a tool, witting or unwitting, of Moscow. Indeed, with the exception of East Germans, who can watch West German television, some people in the East seem to regard the Greenham Common or Mutlangen demonstrations as fictions of their tightly controlled newspapers. According to the old East European joke, newspapers have one truth (the price), one half truth (the weather forecast), and lies (the news).

The second and more substantive obstacle has been the differing roots of protest on either side of the iron curtain. The overriding Western concern is nuclear weapons. In the East, this is subsumed into pacificism, a more general concern with all aspects of militarism.

Conscription in the East is more universal and onerous than in the West and has long prompted protest, mainly by religious groups. In Hungary, the fundamentalist Nazarene sect has won exemption from the draft, and a group of lower-ranking Catholic clergy wants this exemption extended. In East Germany, draftees can opt to do building work in uniform, but the churches, especially the Protestant ones, would like conscientious objectors to be excused the draft altogether.

Eastern dissidents also say that human rights are fundamental and by putting peace before human rights, Western peace protesters, put the cart before the horse. They add that this is not an unreal, semantic argument, since without freedom of expression they cannot give voice to their worries about the arms race.

However, the past year has seen some consensus, with Western peace campaigners acknowledging the human rights concerns of their Eastern counterparts and the East German, Czech and Hungarian groups making more contact with the West. There was also a sign of change in Mr Lech Walesa's Nobel Peace Prize address, in which he talked of peace being indivisible with freedom and of peace in Poland being part of peace in Europe. Hitherto, Solidarity had been solely concerned with fighting for its own freedoms.

Can the East European peace groups frustrate or slow down Soviet missile deployment, where much stronger groups failed in the West? Not a hope—particularly when anti-nuclear protest is so weak in the Soviet Union itself. But it can change the political manner in which the missiles are deployed, forcing Eastern governments to try to justify rearmament, as Western governments have had to do.

Though stamping on Charter 77, the Husak Government has had to allow limited public discussion of the Soviet missiles. Hitherto the presence of Soviet nuclear weapons on Czech soil was never discussed; public *admission* of it could bring a 10-year sentence on a charge of subversion.

Lately, Rude Pravo, the party newspaper, has had to respond to public concern following the announcement of missile deployment by answering letters from worried readers. Neues Deutschland, the East German party paper, went so far as to print a clerical letter of protest about the new missiles.

Even Bulgaria, Moscow's most loyal ally, has been at pains to deny rumours, mainly emanating from neighbouring Yugoslavia, that it may accept Soviet nuclear missiles as a counterbalance to Nato cruise weapons in Sicily.

East European governments are now hoist by their own propaganda petard. Having claimed that new U.S. missiles in Western Europe would measurably advance Armageddon, they are now having to try to show their worried publics that Soviet counter-measures will not make a bad situation worse.

Sweden to expel three Russians for 'spying'

By Kevin Done, Nordic Correspondent, in Stockholm

[SW]EDEN is to expel two Soviet [dip]lomats and a third Russian [cit]izen suspected of carrying out [in]dustrial espionage.

The expulsion adds new ten[sio]n to the already strained [rel]ations between Stockholm [an]d Moscow. According to the [Sw]edish security forces, the [dip]lomats had attempted to gain [in]dustrial secrets within the [ele]ctronics industry.

The Swedish Foreign Ministry [sai]d that "the spying activities [we]re incompatible with the [dip]lomats' official status." The [esp]ionage activities" had been [de]tected before any serious [dam]age could be done to [Sw]edish interests, it added.

The expulsion comes exactly [...] months after Stockholm last [or]dered home two Soviet diplo[ma]ts and a third Russian citi[zen], also suspected of carrying [ou]t industrial espionage.

The latest expulsion comes at [a] sensitive moment, less than [fo]ur weeks before Sweden is to [ho]st the top-level conference on [dis]armament in Europe, which [wo]uld be attended by both the [So]viet and the U.S. Foreign [M]inisters.

Sweden has had no exchange [of] visits at ministerial level [wi]th the USSR since a Soviet [W]hisky class submarine, thought [to] be carrying nuclear weapons, [ra]n aground on the Swedish [co]ast in late 1981 near Karls[kr]ona, one of the country's most [im]portant naval bases.

The Swedish Government has [be]en at pains to try to calm [re]lations with the USSR in the [ru]n-up to the Stockholm con[fe]rence, which will deal speci[fic]ally with military confidence [an]d security-building measures [in] Europe. But attempts to hush [up] the expulsion of the [dip]lomats have failed.

Earlier this year, relations [be]tween Moscow and Stockholm [we]re plunged to a new low [w]hen a government commission [acc]used Soviet submarines of [re]peatedly violating Swedish [te]rritorial waters.

This week, a further report [fr]om the supreme commander of [th]e Swedish armed forces con[fi]rmed continuing submarine [in]cursions during the autumn, [alt]hough it failed to establish [th]e identity of the intruders.

Tracks left by a mini-sub[m]arine were photographed on [th]e seabed close to a sensitive [m]ilitary installation in the [St]ockholm archipelago.

In addition, Sweden's neutra[l]ity policy is being sorely tested [b]y the controversy surrounding [h]ighly-sensitive U.S. computers [w]hich this week were placed under military guard in Sweden.

Washington claims the com[p]uters were being smuggled via [S]weden to the USSR for use in [S]oviet missile guidance systems.

Reuter adds from Moscow: [T]he Soviet news agency Tass [y]esterday accused Sweden of [s]pying on Russian military [m]ovements from specially-[eq]uipped reconnaissance air[c]raft.

Quotas row upsets EEC herring deal

BRUSSELS—A row over North Sea herring catches has torpedoed European Community plans for orderly fishing of the species in the New Year, diplomats said yesterday.

Herring fishing will be banned in the north and central North Sea from January 1, while in the southern sector Community vessels will be able to fish without restriction until 17,000 tonnes have been caught.

Community fisheries ministers last week agreed on a formula for sharing out North Sea herring among member States, ending months of hard negotiation.

But an element of discord quickly developed after the Commission negotiated a herring deal with Norway, which controls North Sea herring stocks jointly with Brussels.

Britain, Denmark and the Netherlands objected that the Commission had granted Oslo far too much fish. Community government officials last night ordered the Commission to renegotiate the agreement with Norway early next year.

The diplomats said the Commission had agreed with Norway that Community vessels should be able to catch 55,000 tonnes of Herring and Norwegian ships 15,000 tonnes in the first have months of 1983.

They said Community fishing States with a stake in the matter argued that the Commission should have offered only around 5 per cent of available catches tu the Norwegians.

Reuter

Vital talks on Philippines debt payments delayed

BY CHRIS SHERWELL, SOUTH-EAST ASIA CORRESPONDENT

CRUCIAL TALKS on the rescheduling of payments on the Philippines' $24.9bn (£16.6bn) debt, due to resume on January 4, have been delayed at least a week and possibly longer, foreign bankers in Manila confirmed yesterday.

The delay follows the disclosure earlier this week that figures for central bank reserves had been overstated by at least $600m prior to October. Bankers say that although this had become known earlier, the public revelation has caused controversy domestically and provided a psychological setback.

A week ago, Mr Cesar Virata, Prime Minister and Finance Minister, said rescheduling talks with commercial bank creditors would resume in New York on January 4, once an International Monetary Fund team had completed gathering additional economic data in Manila.

It now seems that the team will have to spend longer than expected in Manila, and more than likely that the Philippines will need to extend the three-month moratorium on debt repayments which it announced last October 17.

This was a possibility first held out last week by Mr Virata, who admitted also that Manila was not making interest repayments, contrary to its initial announcement of the moratorium which covered principal.

The additional week's delay means that the Philippines Government must also wait longer for vital U.S. bridging finance aimed at seeing the country through to the first dispersals of the IMF stand-by credit of SDR 615m (£569m).

The resulting delay in imports increases the chances of further mass lay-offs and short-time in factories. Bankers and businessmen have expressed concern that this could lead to a build-up of political tensions.

The Philippines is looking for $1.65bn in new money from 350 commercial banks, along with a rescheduling of loans due between now and 1985 and a roll-over of trade financing. It also wants $1.65bn from Western governments and multilateral donors.

No agreement on a package can be concluded until the terms and conditions of the IMF stand-by credit are finally settled.

Fed proposal for loan write-offs

BY PAUL TAYLOR IN NEW YORK

U.S. BANKS would be required to write off portions of the loans to financially troubled foreign countries under a set of proposals issued by the U.S. Federal Reserve Board.

The Fed's proposals are part of a package of tougher controls over U.S. bank foreign lending. These emerged from the U.S. bank regulators as a result of Congressional amendments to the international lending supervision act passed earlier this year, boosting the U.S. contribution to the International Monetary Fund (IMF).

According to New York bankers, the rules would cover loans to Zaire, Sudan, Poland, Nicaragua and Bolivia, and require loan write-offs of 75 per cent, 50 per cent, 15 per cent, 15 per cent and 10 per cent respectively.

While the major money centre banks have vigorously oppposed such requirements, the actual impact of the proposed rules on bank earnings is not expected to be particularly severe.

This is because most U.S. banks do not have a sizeable exposure in those countries, and where they do have outstanding loans, some of these have already been written off.

One New York banker said yesterday: "This was not unexpected and should have little impact on U.S. bank results."

In effect, it appears that although the U.S. banks lost the argument in Congress, they have minimised the impact of the requirements by persuading the regulators only to "specify" countries in which their exposure is limited.

Nevertheless, the U.S. banks continue to oppose the special reserves and write-off provisions on philosophical grounds, arguing that the proposed rules do not distinguish between the type of exposure or the quality of a loan.

As part of this package, the Comptroller of the Currency and the Federal Deposit Insurance Corporation have also issued proposed rules which would require banks to set up special loan loss reserves against foreign lending to troubled less developed countries. Earlier this week, the Comptroller suggested that banks lending to countries determined by the bank regulators to be "troubled" should initially be required to set up a special loan loss reserve equivalent to 10 per cent of a bank's asset exposure in that country.

The Fed's proposals, which cover the same countries initially, would require loan write-offs, or the establishment of special reserves, where the borrowing country has shown "protracted inability" to make repayments, failed to service the debt, to comply with a restructuring or an adjustment programme.

Liquidation of De Lorean Motor agreed

By Terry Byland in New York

A FURTHER and apparently final twist in the ill-fated De Lorean sports car project came in Detroit yesterday when Mr De Lorean agreed, in papers filed with the U.S. bankruptcy court, to the liquidation of De Lorean Motor which has sole distribution rights for the cars formerly manufactured at the group's plant in Belfast.

Mr De Lorean, who faces trial on federal drug smuggling charges, asked in his Court filing that De Lorean Motor be moved from Chapter 11 reorganisation to liquidation under Chapter 7 of the U.S. bankruptcy code.

Mr David Allard, a Detroit lawyer, was assigned by the court to act as interim trustee to begin liquidation

De Lorean Motor is believed to have cash assets of about $1m but claims against it run intot "hundreds of millions of dollars," according to Mr Robert Weiss, a lawyer representing creditors.

The company filed under Chapter 11 for protection from its creditors in October 1982.

Argentina 'needs credits to service $40bn debt'

BUENOS AIRES—Argentina will have to have fresh trade credits from overseas banks if it is to make prompt service payments on its $40bn (£26bn) foreign debt, the country's central bank vice-president said yesterday.

Sr Leopoldo Portnoy said Argentine commercial banks have asked foreign banks for an immediate increase of at least 30 per cent in trade credit, worth some $1.5bn, to finance imports.

The larger the trade credit granted by foreign banks, the faster Argentina will be able to settle $2bn of arrears in overseas payments and about $5bn of interest on external debt due in 1984, he added.

Unless foreign banks relaxed a squeeze on trade credit imposed after an Argentine overseas payments crisis in September, the country would have to keep its foreign currency income for cash payments of vital imports.

David Marsh adds from Paris: Western industrial countries and international organisations have agreed to provide Zaire with aid of $290m (£193m) to help its development programme.

The grants will be used to improve the country's transport, agriculture, energy and mining industries.

Reuter

W. Germans prefer auld acquaintance forgotten

By Leslie Colitt in Berlin

HERR HELMUT SCHMIDT, the former West German Chancellor, yesterday celebrated his 65th birthday a week after the chairman of the Social Democrat Party (SDP), Herr Willy Brandt, marked his 70th. But the two elder statesmen of the opposition party refused to attend each other's celebrations.

The animosity which has developed between the two former partners runs deep and reflects the massive shift in the power balance within the SDP. Herr Brandt, who only a few years ago had been counted out politically, has rebounded to become the SDP's driving force. He will be unchallenged in the February elections to head the party for another two years.

Herr Schmidt, smarting after the SPD's vote last month against the deployment of U.S. missiles, has announced his withdrawal from the party leadership and from the next Bundestag. In opposition, the SPD has again become a debating society for political and social alternatives. Herr Brandt's majority in the SPD leadership aims to outflank the left-wing dreams and eventually to co-opt them. Those who have remained loyal to Herr Schmidt see this as potentially leading to isolation from the bulk of moderate social democrats for years to come.

Among those who attended Herr Brandt's birthday celebration but not Herr Schmidt's were the Swedish Prime Minister, Herr Olaf Palme, and the former Austrian Chancellor, Herr Brunn Kreisky. Herr Erich Honecker, the East German President, sent a telegram praising Herr Brandt's efforts to preserve peace. The two men had not been on speaking terms after Herr Honecker planted a spy in the former Chancellor's entourage, triggering his resignation in 1974.

Mr Henry Kissinger attended the party for Herr Schmidt, along with the ex-chancellor's old ally, the former French President M. Valery Giscard d'Estaing.

Current account surplus down

WEST GERMANY'S current account surplus in November fell sharply to DM 600m (£151.8m) after a revised surplus of DM 3bn in October. The trade surplus fell to DM 3.3bn from DM 4.13bn the previous month. Leslie Colitt writes from Berlin.

The Federal statistics office said special factors such as especially large net transfers to the European community and a relatively low surplus in transit trade played a role in the fall.

Pretoria to conscript young immigrants

BY BERNARD SIMON IN JOHANNESBURG

IMMIGRANTS to South Africa refusing to do military service will in future forfeit their permanent residence status and thus their right to work in the country, the Ministries of *Internal Affairs and Defence* have announced.

The move to extend conscription to immigrants follows complaints by South African Servicemen that many employers are discriminating against them in favour of foreigners without military service commitments.

Mr F. W. De Klerk, Minister of Internal Affairs, has said that young immigrants "progress unhindered in their studies and careers and so build up a lead".

In terms of new draft legislation, the qualification period for South African citizenship is to be extended from two to five years.

Immigrants between the ages of 15 and 25 who do not wish to become citizens after that period will automatically lose their permanent residence rights.

This includes immigrants who arrived in the country before 1978, when the law was tightened to provide for automatic acquisition of citizenship by immigrants who completed two years' permanent residence when they reached the age of 25.

Migrants up to that age have until now been able to choose whether they wish to do military service.

The prospect of a compulsory call-up is bound to discourage many potential immigrants, just as it has prompted many white South African families to leave the country permanently.

Immigration has risen steeply in recent years, reaching 47,800 in 1982, compared to 29,400 in 1980. Half of the arrivals are from Zimbabwe and about a quarter from Britain.

Military service has become more onerous in recent years following the growing intensity of the war in Northern Namibia, tensions on South Africa's other borders, and the need to protect domestic installations against insurgents. School-leavers are at present conscripted for two years, followed by regular camps over a period of 12 years.

● South African troops have launched a "limited campaign" against Swapo forces in Southern Angola Gen Constand Viljoen, chief of the defence force, said yesterday.

Britain cancels Invincible's goodwill visit to Japan

BY JUREK MARTIN IN TOKYO

BRITAIN HAS decided to cancel a goodwill visit to Japan by the aircraft carrier Invincible, planned for early next year.

The principal reason is undoubtedly the desire not to embarrass the Japanese conservative Government which has been rendered vulnerable by its losses in last Sunday's election.

An official Japanese statement here welcomed any future goodwill visits by the Royal Navy but noted that Japan's three non-nuclear principles—which do not permit the use, manufacture, or introduction of nuclear weapons into the country — would have to be satisfied for permission to be granted.

Britain has never confirmed or denied if the Invincible carries nuclear weapons. It was the absence of this assurance which initially prompted the Australian Government to deny the Invincible dry-dock facilities at Sydney three weeks ago.

U.S. navy ships, presumed but never admitted to be armed with nuclear missiles, frequently call at Japanese ports. Such visits used to attract large protest demonstrations though these have dwindled of late to little more than the ritualistic.

However, the ruling Liberal Democratic Party, still struggling to form a new government after last Sunday's general elections, hardly needs additional controversy, a point that Britain appears to have recognised in calling off the Invincible's visit.

Talks on Tamil issue

BY MERVYN DE SILVA IN COLOMBO

EIGHT political parties invited by President Jayewardene for talks on the Tamil question have decided that the Tamil United Liberation Front (TULF) should participate in the next round.

The main item at a conference scheduled for January 10 will be the powers of proposed regional councils and their territorial limits.

The TULF, which stands for a separate Tamil state, is prepared to accept regional autonomy if the council in the predominantly Tamil northern peninsula is allowed to amalgamate with councils in the eastern province. This demand is bound to be turned down. Hardline Sinhala-Buddhist opinion also wants the powers of the proposed councils limited.

Air France decides to 'cannibalise' Concordes

AIR FRANCE has decided to "cannibalise" three of its seven-aircraft Concorde fleet to provide cheap spares for the others, airline officials said yesterday, Reuter reports from Paris.

The Anglo-French supersonic jet, which flies in Air France and British Airways colours, can stay in service until 1993, according to the manufacturers.

State-owned Air France now only maintains Concorde on the profitable New York run and has abandoned as unprofitable the routes it used to operate to Caracas, Rio de Janeiro and Washington.

The officials said only four aircraft were now needed for the New York service and the remaining three would be cannibalised to provide spare parts for the others as an economy measure.

This meant that the four Concordes, which had started to show an operating profit in recent months on the New York trip, could prove even more profitable.

Ivory Coast austerity

An austerity budget for 1984, containing no new development projects, was approved by the Ivory Coast's Council of Ministers yesterday, our Foreign Staff reports.

The budget, due to be submitted to the National Assembly for ratification on December 27, totals $1.6bn (£1bn), representing a nominal increase of 2 per cent on last year, but a decrease in real terms if the official 7.5 per cent inflation rate is taken into account.

Italian budget passed

The Italian Senate yesterday approved the Craxi Government's L340,000bn (£134bn) 1984 budget, thus ensuring that for the first time in recent years, the Italian budget will have been approved before the year-end, Alan Friedman reports from Rome. The Lower House voted the budget last Thursday.

In recent years, the budget has not been approved until the last day of April.

Greek inflation pledges

The Greek parliament yesterday passed a record deficit budget for 1984 after a marathon four-day debate, AP reports from Athens.

Mr Andreas Papandreou, the Prime Minister, closing the debate, pledged that the inflation rate, currently hovering at about 20 per cent for the fifth year running, would be cut in half next year.

"We are entering a stage of economic recovery," the Socialist Premier told the 300-member Parliament.

The 1984 £9.3bn budget includes a defence allocation of Drachmas 179bn (£120m)—an 11.2 per cent rise over last year's allocation.

The budget calsl for increased spending on education and health and social welfare services and gives tax cuts to low-wage earners. It forecasts a £2.48m deficit for 1984.

To Russia with love

U.S. customs agents have seized a laser system bound for the Soviet Union, filled the crates with concrete, and sent them on their way, Reuter reports from Denver. The move is the latest in a campaign to stop the flow of Western technology to the Soviet Union. After the four crates were filled with concrete —and with a nasty note inserted—they were shipped to Moscow, Mr Richard Spriggs, Assistant U.S. Attorney, said.

EEC imports move

The European Commission yesterday moved to stop member-countries from unilaterally curbing imports from third countries into the trade bloc, AP-DJ reports from Brussels. The Commission cited the need to end "protectionist measures" in member-countries and to strengthen the Community's common import rules.

FINANCIAL TIMES, USPS No 190640, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second class postage paid at New York NY and at additional mailing offices. POSTMASTER: send address changes to: FINANCIAL TIMES, 75 Rockefeller Plaza, NY. NY 10019.

Egypt 'reduces price of Suez blend crude'

By Maurice Samuelson

EGYPT was yesterday reported to have cut the price of its key blend of crude oil despite pleas from other Arab states that it should not give in to downward pressures caused by the world oil glut.

Customers in Rotterdam were quoted as saying the Egyptian General Petroleum Corporation had cut the price of Suez blend crude to $28 from $28.50.

The Egyptians had so far resisted a reduction in official prices despite very weak spot market levels for Suez blend and a $1 cut in the price of the Soviet Union's competing Urals blend, to $28.60 a barrel.

Neither the Soviet Union nor Egypt is a member of the Organisation of Petroleum

Madrid aims for 2.5% growth rate next year

BY DAVID WHITE IN MADRID

SPAIN'S Prime Minister, Sr Felipe Gonzalez, yesterday reaffirmed the aim of increased economic growth next year but emphasised the government could not afford a "permissive" spending policy.

In a two-hour Press conference called belatedly to mark the first anniversary of Spain's Socialist government, Sr Gonzales said he was concerned about achieving enough growth to prevent a further decline in employment.

He said the government target of 2.5 per cent growth, against an estimated 2.1 per cent this year, should be sufficient to start recovering some of the jobs that have been lost because of the economic crisis. With a drop of about 40,000 in total employment so far this year, the decline had been practically arrested, he said.

However, he warned that this would not yet imply a drop in the 2.3m unemployed. He was also cautious about whether the new jobs could be generated over a short period.

A substantial part of the government's programme for reconverting ailing industries would be carried out in 1984 he said.

Sr Gonzales was firm about the need to control the government's budget deficit and to avoid depriving the private sector of the resources needed for investment.

Level of car sales remains high

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

Car sales this month have continued to run at a comparatively high level, topping off a record year in fine style. The Society of Motor Manufacturers and Traders believes registrations will not fall far next year.

It forecasts that car sales will be 1.72m next year, representing a drop of only 3.4 per cent from the record 1.78m this year.

According to the society's statistics, registrations in the first 20 days of December were 7.75 per cent ahead of those for the corresponding period last year at 60,027.

The figure took the total for *1983 so far to 1,780,301. This* was 14.52 per cent ahead of last year's figure for the full year and beat the previous record of 1,716,275 in 1979 by a reasonable margin.

Judging by the experience in past years, customers will continue to take delivery of new *cars right up* to the end of the year and as many as 10,000 will be registered in the final 10 days of the month.

Most of these last-minute sales will go to companies, as do most of December car deliveries. This favours the major manufacturers with large fleet business.

So, in the first 20 days of December, Ford accounted for 31.3 per cent of the market and BL 18.2 per cent.

Vauxhall-Opel, the General Motors' offshoot, seems certain to add yet another record month to its performance this year and after 20 days of December had a *17.1 per cent* market share.

Datsun UK's drive for sales this year is continuing right up to the end. Even though Nissan-Datsun cars are mainly bought by private customers, in the first 20 days of December the marque, with a 5.16 per cent share, was in fourth place in the manufacturers' league table.

Peugeot-Talbot's 20-day result was 3.59 per cent, followed by Volvo 3.54 per cent, Volkswagen-Audi 3.5 per cent, Renault 3.39 per cent and Fiat 2.22 per cent.

The top 10 models in December *so far are the Ford Escort* with 6,413 registrations, Ford Sierra 5,658, Vauxhall Cavalier 5,162, Austin Metro 4,204, Ford Fiesta 3,664, Vauxhall Astra, 2,172, Austin Maestro 2,072, Triumph Acclaim 1,497 and the Volvo 300 series 1,284.

Plea for help on satellite direct broadcasting

BY RAYMOND SNODDY

MR IVOR COHEN, managing director of the electronics group Mullard, is appealing to the Government to bring together all organisations which will be affected by direct broadcasting by satellite (DBS) in the UK to ensure that it takes off.

As soon as the BBC and the Independent Broadcasting Authority agree on sharing satellite costs, Mr Cohen argues, the Government should form a steering committee bringing together everyone involved, from broadcasters to equipment makers and renters.

"The Government was prepared to do it for Teletext and it should do it for satellite," says Mr Cohen, whose company will design and manufacture microelectronics circuits for the receiving equipment.

Mr Cohen believes Teletext was about to fail until the industry got together to give it fresh impetus.

"Now 98 per cent of sets in the world use the British system," Mr Cohen says. He adds that only the Government can harness the different interests involved in DBS.

Mr Cohen fears that indecision *may dissipate an* early technological lead in standards for DBS, leaving the way open to the Japanese and the Americans.

Mullard feels that the C-MAC picture system developed by the IBA with packet sound, the French digital system, could become a world standard.

The Japanese electronics industry is interested in C-MAC receiving equipment, Mr Cohen believes.

British industry is still waiting for the Home Office to announce technical specifications that the system's circuits and receiving equipment can be designed.

Mr Leon Brittan, Home Secretary said early in September that he hoped to be able to announce the specifications by the end of that month. He has not done so yet.

The delay is partly due to diplomatic efforts to persuade the French and West German Governments to endorse C-MAC, which has been accepted as a European standard by the European Broadcasting Union.

The BBC originally planned to begin its DBS operation in September 1986. Even if the BBC did not have serious misgivings about the viability of the project as it *is now structured*, the receiving equipment could not be ready on time.

Probably it will take at least three years from the announcement of detailed specifications to equipment being available in volume in the shops.

"If we don't receive detailed specifications within two or three months we shall be *running out of time for 1987*, and we would be cutting corners to make that possible," says Mr Cohen. He is a member of the Government's Information Technology Advisory Panel.

International dealership rules set out

By Ray Maughan

THE COUNCIL of the Stock Exchange has put forward regulations which, subject to confirmation on January 31, will govern dealerships set up specifically to trade from London in overseas securities.

International dealerships, or IDs, must be incorporated as companies with limited liability. A company may be wholly owned by an existing member of the London Stock Exchange.

Alternatively it may be formed by consortiums comprising broking firms, jobbing firms, a mixture of broking and *jobbing firms* (respectively agents and principals in share transactions), or member-firms and non-member firms, provided more than 50 per cent of an ID is owned by one or more member-firms.

The council decreed that an ID can deal in overseas securities and in other financial instruments not relating to domestic securities.

An ID will therefore not be allowed to take a presence on the Stock Exchange dealing floor. It may only deal as a principal. The rules, however, have been drafted on the basis that IDs will be jobbers for UK stamp-duty purposes and thus be exempted from the 2 per cent tax.

The council decided this week that a minimum liquidity margin of £500,000 must always be maintained.

These *changes* have been discussed for some time. The rules proposed form the second in a series of envisaged changes in the structure of the British securities market.

This programme of impending Stock Exchange reform follows an agreement with the Government whereby the Exchange rule-book will not be subject to proceedings in the Restrictive Practices Court.

Main changes to come include abolition of *minimum* dealing commissions and granting of permission for outsiders to take controlling stakes in London broking and jobbing firms.

Long-life milk imports to resume

FRENCH dairy farmers said *yesterday they would resume* exports of ultra-heat treated milk to Britain after Christmas inspite of a warning that it contains too much water.

Officials at France's largest dairy co-operative are likely to challenge the accuracy of tests conducted in the UK which have so far prevented the first consignment of the milk being offered for sale.

More than 22,000 litres of long-life (UHT) milk arrived at *Newhaven on December 1*, the first consignment into the UK since a European Court ruling earlier this year that the British ban on its import was illegal and must be lifted.

After six days of exhaustive tests at the port, health officials were unable to find any reasons for refusing the milk entry and the consignment was sent to Salisbury for further analysis.

The Salisbury District Council's public analyst examined 11 packs of milk and found that five contained "extraneous water" which is illegal if the milk is to be sold for human *consumption*.

The importers, French dairy farmers, who are acting for the Normandy dairy co-operative, have been told that the milk must either be returned to France or sold here as animal feed.

"It is ironic that after five years' campaigning through the EEC court to lift the ban, the first consignment is now held up after getting a clean bill of health at the port of Newhaven," the importers said.

"The reason is a difference of opinion among experts, not about standards but about testing techniques."

"Pending clarification of test results, we have agreed to keep our consignment at Salisbury. It was never any sort of health hazard, simply the subject of a difference of opinion about water, which is by no means unknown in the dairy industry, the importers said.

"French dairy farmers will be resuming long-life milk imports after the holidays, for there is a big unsatisfied demand for long-life milk in Britain."

Leading UK stockjobber to close New York office

BY CHARLES BATCHELOR

THE UK's largest stockjobber, Wedd Durlacher *Mordaunt*, is closing its New York office 18 months after it was opened. Dealing mainly in Australian and Continental stocks, the U.S. office, Wedd's only overseas base, did not prove profitable, the firm said.

Wedd also lost its principal partner in New York, Mr David Rochester, who left to join a major rival, Merrill Lynch, the U.S. brokerage firm.

Mr John Robertson, senior partner at Wedd, said: "*It did* not work out the way we had originally expected. We were not doing that much business and the bottom line did not look too good.

"We did not have the right product. We have lost money but I don't want to say how much."

The *disclosure of* Wedd's problems in the U.S. coincides with the announcement by Smith Bros, another leading UK jobber, that Agora, a New York dealing associate, made a loss in the six months ending October.

Wedd opened its New York office on Broadway in mid-1982 and became a member of Nasdec, the North American Security Dealers Committee, which allowed it to deal direct with U.S. brokers.

Its aim was to extend the trading day for Australian shares from eight to 12 hours and bridge the awkward time difference which limited trading *in Australian shares in London*.

It later added a number of Continental stocks.

London Stock Exchange rules barred it from trading UK stocks while tough competition from U.S. brokers meant it did not venture into dealing in U.S. stocks.

When Mr Rochester, a former senior partner with UK brokers Cazenove, left last September, Wed was faced with finding a new principal to comply with SEC regulations.

Mr Robertson said: "We thought of finding another principal but with other things going on in London connected with the restructuring of the market, we thought it might be a little premature to do something in New York."

The decision to close comes within weeks of the announce*ment that* Wadd *faces two* lawsuits in the U.S. claiming nearly \$15m (£10.5m) damages and alleging it assisted a failed Panamanian investment company, C. and R. Pastor Securities, to engage in fraudulent schemes to manipuate the market in certain securities listed in New York.

Wedd says that these claims, which have been filed by Merrill Lynch and Lehman Bros Kuhn Loeb, are totally without merit and it is seeking to have them dismissed.

The UK firm denied, however, that the office's closure was linked to the lawsuits.

Economic Diary

MONDAY: Special Diet session to nominate new prime minister and cabinet, Tokyo.

TUESDAY: U.S. Steel Corp. board meeting to consider possible cut in its steel making capacity, Pittsburgh.

WEDNESDAY: Supreme Soviet convenes to approve 1984 budget, Moscow.

THURSDAY: Overseas travel and *tourism figures* (October). Energy trends (October). Unemployment and unfilled vacancies (November-final). Employment in the production industries (October provisional). Stoppages of work due to industrial disputes (November provisional). Overtime and short-time working in the manufacturing industries (October).

College applications

APPLICATIONS for university places next year are more than 3 per cent up on last year, according to figures released yesterday by the universities' clearing house system.

More people have applied *earlier this year and the figures* may not accurately reflect the final outcome, says the Universities Central Council on admissions. The latest figures relate to December 1 when about two-thirds of the expected total number of candidates applying —127,130 students—compared with 123,295 last year.

David Green looks at the Sizewell B inquiry's first year

N-power debate generates little interest

IT HAS almost become an institution.

The Sizewell B inquiry is now as much associated with the Snape Maltings concert hall as the late Sir Benjamin Britten, the composer who founded the local music festival which grew into world renown.

Of vital importance to the UK as it is, local people find difficulty in mustering the enthusiasm which engulfs the small number of inquiry participants. The economic arguments which dominated the first 12 months also *failed* to register with them.

Not only do those few who venture into the concert hall find the evidence incomprehensible, but most local people are not interested in detail.

There is an air of fatalism, but also of confidence, that if the "powers that be" say Sizewell B must be built and will be safe, then it will have to be faced. Few, except publicans and other traders, relish the prospect of an immigrant workforce during the six years or *more* of its construction.

Most locals will tell you, without ever attending the inquiry, that its £25m cost, being borne entirely by electricity consumers, is a waste of money.

However, a thorough job in exploring the prospects for future energy provision in the UK is being done behind its tranquil facade.

The inquiry, into whether the Central Electricity Generating Board should get the go-ahead to introduce the U.S.-style pressurised water reactor, began on January 11 and has inevitably slipped into a rather cosy routine in which both sides know each other and politely observe the rules.

Nuclear industry staff and the *few* resident objectors arrive on Monday night and depart on Friday afternoon, with hotels in the area enjoying a boom.

At Snape Maltings, the passing days are discernible only by the occasional change of face in the witness "stand." The 800-seat concert hall remains largely empty, except on the few occasions when well-known personalities appear, such as *Arthur Scargill* and Tony Benn.

Protests outside the hall have dwindled and have never been well supported. Inside the hall, anti-nuclear demonstrations, always low-key, seem to have ceased, although one pro-nuclear supporter occasionally stands at the front holding placards.

The inquiry's location, several miles from the nearest railway station, has been blamed as one of the main reasons for lack of attendance.

But a coach provided at the CEGB's expense arrives usually empty each day from Ipswich and even when the hearings moved to central London in June and July, attendances remained low.

Certainly the economic evidence was presented in a very technical way and even the inspector has, on rare occasions, confessed not understanding some points.

He and *his* assessors and *the* counsel to the inquiry, Mr Henry Brooke QC, have generally maintained an uncanny grasp of just what is going on.

For it has become an inquiry of moving targets, a public trial of monstrous length. The CEGB has been called upon to produce evidence of a far more detailed nature than it ever thought and leading objecting groups have responded in some *depth*.

The inquiry remains, however, for all its long-winded approach, its expense and its imbalance of resources, a typically British attempt to decide major planning applications.

'Falklands are British' insists Thatcher

By Margaret van Hattem

THE PRIME MINISTER yesterday sent a Christmas message to the Falklands again assuring *the islanders that the question* of sovereignty was not negotiable.

She said in a BBC World Service broadcast: "I am not negotiating the sovereignty of the Falkland Islands with anyone. They are British.

"You, the people, have a right to determine your own future. That is not negotiable."

Mrs Thatcher also stressed the Government's determination to proceed with building a new *airport at Port Stanley*. A freeze on construction of the airport was one of the main conditions laid down by President Raul Alfonsin, the Argentine leader, for resumption of normal relations between Britain and Argentina.

Mrs Thatcher said: "There is a great future to look forward to. We are trying to do everything we can to build that new airport . . . to rebuild the structure of the Falkland *Islands*." The aim was to give the young people a chance to build on the traditional life in the Falkland Islands — a life of effort, where people were all part of the same community. Gradually it was hoped to attract more people and business to the islands.

Silkin to make way for Davies

MR NEIL KINNOCK, Labour leader, has promoted Mr John Silkin out of his front bench Commons job as spokesman on defence and disarmament to make way for Mr Denzil Davies, formerly the number two spokesman.

In a tactfully-worded statement yesterday, Mr Kinnock's office announced that Mr Silkin, who was recently elected president of an organisation known as Parliamentarians for World Order, would in future concen*trate on presenting Labour's* case internationally.

He will, however, retain his place in the shadow Cabinet, to which he was elected in the autumn with substantial support from the party's right wing.

Shoemaking orders boost confidence

BY ANTHONY MORETON

SHARPLY RISING exports and a strong increase in orders are sending shoe manufacturers into 1984 with more confidence than for several years.

The rise in activity in the industry has been encouraging enough for them to take on workers after a long decline in which the total workforce dropped by over a third to about 51,000 since the start of the 1970s.

Since September employment has risen by 600, and there has been a rise of 1,500 since February, taking the total to 52,300. Short-time working is falling, and overtime lengthening.

Although there was a slight rise in the numbers on short time in September, the last month for which figures are available, it has dropped by half in a year.

Numbers on overtime—9,600—were almost 80 per cent higher than in September 1982, and have been on a rising trend for several months.

The industry exported 1.6m pairs of footwear in October, 8.7 per cent up on October 1982. In that period overseas sales were 5 per cent higher by volume.

Sales were particularly good to most leading markets, such as Ireland, West Germany, France and Canada. Only the U.S., second most important market, which took 799,000 pairs this year, is below 1982.

The rate of ordering continues to run ahead of the rate of delivery, a good omen for 1984. Orders by volume were 8 per cent higher in the year to October than in the previous year, while deliveries were only 0.4 per cent up.

But cheap overseas suppliers such as Taiwan, South Korea, Hong Kong, Portugal, Spain, Brazil and Poland continued to supply the high street shops faster than did the home industry.

All except South Korea, sent more shoes, helping to push the import bill in the first ten months of the year to £457.3m. Exports, which also rose, reached £102.8m.

The one encouraging point *for the industry was that* supplies from Italy, which dominate the British market, fell this year.

Britain spent £197.7m on Italian imports between January and October, 5 per cent down on those months of 1982. Supplies from France, the other leading West European manufacturer, fell by 15 per cent to £24.2m.

What particularly concerns the industry is the sharp rise in import unit values due to the strong dollar.

Exotic fruit imports leap

BRITAIN'S CONSUMPTION of exotic fruit and vegetables has risen enormously in the past five years, the Fresh Fruit and Vegetable Information Bureau said yesterday.

Since 1978, imports of avocados have risen by 89 per cent, mangoes by 115 per cent, paw paws by 299 per cent, sweet peppers by 104 per cent and chicory by 55 per cent.

"Travel abroad has broadened people's tastes for some*thing new and different and* so demand for exotics is growing all the time," the bureau said.

Air transport makes fruits and vegetables from across the world available in shops within a day or two of picking.

Apricots, peaches and citrus arrive throughout the winter from South Africa, cranberries arrive fresh from the U.S. and one of the newest tastes, sharon fruit, is exported from Israel.

Strawberries picked in Florida can be on sale in the UK within 24 hours. Fresh lamb from New Zealand can be flown in less than 36 hours — together with Kiwi fruit.

Kiwi fruit are increasingly popular because they are so versatile, the bureau said. They can be used as a garnish and in fruit salads as well as to tenderise meat. The fruit contains an enzyme which breaks down tough fibres in a joint of beef as it cooks.

Mangoes are widely on sale and many people consider them to be the finest fruit. Jerusalem artichokes look ugly and misshapen but taste delicious and are excellent around the roast. Okra should be *topped* and tailed and stewed gently in butter.

Fare cuts for U.S. air travellers to Britain

By Michael Donne, Aerospace Correspondent

CUTS OF between 14 and [illegible] per cent aimed at boosting U.S. tourism to Britain will be implemented from January 9 to March 31 by British Airways, Pan American and Trans World Airlines. They will not apply from Britain to the U.S.

The intention is to take advantage of the continued strength of the dollar against sterling during the customarily poor travel months of January to March.

The cuts are an experiment to see if tourism can be increased.

It is accepted that, apart from holiday travel to Miami, British citizens other than business travellers are not likely to visit the U.S. in quantity in the first three months of the year, especially in view of current exchange rates.

BA announced the reduction covering 11 U.S. cities, late on Thursday. Pan American and TWA quickly said they would match the cuts, which are still subject to approval of the U.S. and UK Governments.

The fares range from \$4[illegible] (£314) return between New York, and some other U.S. eastern seaboard cities, and London, to \$649 return between Los Angeles and San Francisco and London.

The cheap rates have some restrictions — travellers must stay at least through one weekend but not longer than 15 days and they must leave the U.S. for London on Mondays, Tuesdays, Wednesdays or Thursdays.

U.S. *cities from which the* cheap rates will be available include Boston, Philadelphia, Washington, Miami, Detroit, Chicago, Seattle and Anchorage.

More aerospace workers lose jobs

ANOTHER 70 workers were made redundant yesterday at the British Aerospace factory at Hurn airport, Christchurch, Dorset.

This brings the total to have lost their jobs since the closure was announced to 650. The remainder of the workforce, about 1,400, will leave between January and June when the factory is due to close.

Negotiations are continuing with new companies to take some of the old British Aerospace hangars

Merchant bank prospectus sent out

BY DAVID LASCELLES

BIDDERS for Singer and Friedlander, the small London merchant bank being offered for sale by European Ferries, will be receiving a confidentiel sale prospectus about the bank soon, marking the first stage in a disposal that could yield £50m.

S. G. Warburg, the merchant bank handling the sale, reports considerable buying interest, mostly from other financial institutions, many of them foreign, including American.

Serious bidders will be sent a much more detailed package of information about Singer later, as a prelude to actual sale negotiations early next year.

The transaction could prove difficult. Euroferries obviously wants the best possible price. But Singer's management, under Mr Anthony Solomons, the chairman, has distinct preferences and is in a position to exert considerable influence over the choice of buyer.

The negotiations will be specially delicate if, as seems likely, a foreign bidder heads the field. Mr Solomons has made it clear that he wants a UK owner so that Singer can remain a member of the Accepting Houses Committee, the prestigious association of London merchant banks which excludes foreigners.

Committee membership confers a special status and allows banks to discount their paper on the finest terms with the Bank of England.

But foreign bidders may not be deterred by loss of membership, particularly if they are major international banks which could confer their top-rank creditworthiness on Singer and enable it to keep funding itself on good terms. A foreign buyer would obviously want to ensure that Singer's top people did not quit the day after the sale.

Mr Solomons and his colleagues have considered mounting their own buy-out bid but have dismissed it as impractical, at least until they get a better idea of how the sale is going and the kind of price beig talked about. There are UK candidates among the bidders who would be acceptable to Singer's management.

Although Singer is one of the smallest accepting houses, Mr Solomons has run it conservatively and developed a high quality business since it suffered badly during the property collapse of the early 1970s.

Its main lines are corporate finance for medium-size companies and funds management. Mr Solomon's future plans for the bank see it moving up the corporate finance market to serve big companies, and into the retail business of unit trusts.

SHHM aodw arf ah har ahashh

The bank's balance sheet totals £480m and it has £300m under discretionary management. Disclosed profits last year were £4.5m, though actual profits were closer to £5m. Actual profits this year will be about £8m.

Euroferries bought Singer in 1980 for £25.3m. Given the bank's good trading record since then, sources close to the sale say Euroferries stands to double its money through the disposal.

Equity dispute likely to hit Satellite Television

BY DAVID GOODHART, LABOUR STAFF

MR RUPERT MURDOCH's Satellite Television, which starts delivering entertainment programmes to its first cable television customers in mid-January, will be hit by the continuing dispute between the actors' union, Equity, and the Institute of Practitioners in Advertising.

Satellite Television is financed almost entirely from advertising revenue but Equity said that it has told the company no agreements for advertising work can be signed until its dispute with the IPA is solved.

That dispute, which began at the end of 1982, is over the form of payment to actors working on advertisements for Channel Four and TV-am but Mr Peter Plouviez, general secretary of Equity, said yesterday: "We are not going to make any agreements with Satellite Television or any cable companies until the IPA dispute is solved."

Although the company has approached Equity to find a way around the dispute, it can rely on non-Equity advertisements originated in the UK and, more important, advertisements from America selling international products.

If Satellite Television or cable TV companies looking to the future start to take a closer interest in the dispute they could, however, put pressure on the IPA—which represents advertising agencies—to start negotiating again with the union.

● A meeting on January 6 of Equity members working in West End theatres is expected to endorse an unusual three-year pay deal put forward by the Society of West End Theatres. The deal gives a variation of rises which would be linked to the Retail Prices Index for a further two years.

No Christmas cheer in TV ads row

BY DAVID GOODHART, LABOUR STAFF

THE LOW-KEY dispute between Equity, the actors' union, and the Institute of Practitioners in Advertising celebrates its second Christmas tomorrow with no hope of a quick breakthrough.

The row over payments to actors appearing in commercials on Channel Four and TV-am has the rare distinction of inflicting almost no damage on the two main protagonists.

Many more commercials would have been made for the two new channels were it not for the dispute, but the advertising agencies, represented by the institute, and Equity members are forgoing only extra work.

The innocent bystanders, Channel Four and TV-am continue to complain of the damage to advertising revenue from the dispute, but as ratings have improved, the cries of pain have become less frequent. In Channel Four's case the problem is in any case indirect, as the ITV companies, who pay for the channel, sell the advertising space.

As all parties have learnt to live with the restrictions on advertising, the only glimmer of hope for a resolution now rests with pressure from the new media, Satellite Television and Cable.

Satellite Television, the company which starts broadcasting general entertainment programmes next month, is to be funded almost wholly from advertising revenue, but Equity has said it will make no agreements with new outlets until the IPA dispute is settled.

The same applies to cable TV, though that is unlikely to rely so much, if at all, on advertising.

If sufficient pressure can be mustered to lever either party to the dispute, some kind of interim agreement should be possible.

The IPA has dropped its insistence on payment to actors being determined by the number of people watching a channel.

The Equity Council actually recommended acceptance of the last compromise formula in September, only to see it rejected by a meeting of 200 Equity members recently working on commercials.

Since that last flurry of activity in the autumn there has been no movement at all from either side, but the Independent Broadcasting Authority, which has already intervened once in the dispute, continues to offer its *services* at a mediator.

The dispute, technically, began in November 1982 when Channel Four was launched, although it had been clear for some weeks before that the IPA's initiative to change the nature of payments for the new smaller-audience channels would not be accepted.

By long tradition, actors in commercials on ITV have been paid a studio fee, which averages £125, and a repeat fee for every time the commercial (or usually a block of 10) is shown.

The size of the repeat fee has varied according to the number of televisions in an area. In London it is 80 per cent of the studio fee, and in Tyne-Tees 25 per cent.

In 1981 Equity reached an agreement with the IPA on the level of studio and repeat fees, which was generally regarded as generous.

With advertising rates demanded by ITV companies continuing to rise, the agencies came under increasing pressure from clients to find ways of cutting production costs.

Hence the IPA plan to link actors' payments to the number of viewers for the new channels, which it also said it wanted eventually to extend to ITV itself.

The union fear of this extension has probably been the main stumbling block to a temporary agreement.

Equity rejects the principle of payment per viewer, as opposed to payment per potential viewer already built into the ITV system.

Mr Ian McGarry, Equity assistant general secretary, says: "Why should someone who happens to appear in a commercial in the middle of the Cup Final get more than someone who appears after a schools programme in the afternoon?"

He complains that the agencies aim at the wrong target. "Payment to actors from a £30,000 advert would usually be about £400," he says. Payment to actors out of the total cost of an advertisement, including payment for air-time, is rarely above 2 per cent.

Equity's position is that anyone making commercials for Channel Four or TV-am should pay the full ITV rate, though from the end of 1982 until July this year it accepted first 75, then 50 per cent of ITV rate to help out the fledgling channels.

It says that more than 1,500 separate agreements have been signed with agencies, many of them in IPA, to make commercials at ITV rates. This is one reason why there are any advertisements at all on the two channels.

The other and more significant reason is that there are various ways in which commercials can be made without falling foul of Equity. These include not using Equity members at all, and going for buy-out agreements with big stars.

TV-am an dthe ITV companies funding Channel Four have undoubtedly been hit by the dispute, because with fewer commercials being made they had to drop their price for air-time.

The big ITV stations make much advertising revenue from brand wars between a handful of large companies, and these have so far shunned the new channels.

Poor initial ratings on both channels have probably been more important, and the low cost of commercials on Channel Four particularly has attracted advertisers to television who would never before have contemplated it.

The taxpayer is the main loser from the dispute, as the Government has suspended the Treasury levy on television profits, worth about £50m last year, until Channel Four can pay it way.

The ITV companies paid £123m for Channel Four last year, but when advertising revenue from the channel, withdrawal of the levy, and the two extra minuts of peak time advertising to offset the dispute are taken into account total payment is probably below £30m.

The eEquity Council accepts that the dispute is restricting new work for its members, one reason why the last compromise was recommended for acceptance.

But the commitment to join a working party to look at the including ITV, fell foul of the entrie structure of payment, small caucus of Equity members who make a living full-time from commercials.

International aero-engine group registered

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

INTERNATIONAL Aero-engines, an organisation in which Rolls-Royce has a 30 per cent stake, and which was formed to manage the V-2500 aero-engine for the new generation of 150-seat airliners, has been registered in Zurich.

The seven-member group spans five countries and apart from R-R is composed of Pratt and Whitney of the U.S. (30 per cent), Motoren-und Turbinen Union of West Germany (12.1 per cent), Fiat Aviazione of Italy (8 per cent) and Japanese Aero-Engine Corporation (19.9 per cent).

Initial capital of IAE has not been disclosed. The non-recurring cost of developing *the engine is expected to be* more than £750m.

All the participating companies have signed an agreement to commit themselves to the V-2500 engine for 30 years. This ensures that the engine can be developed into a family of types for a wide range of uses, probably including land-based and maritime roles as well as aviation.

IAE itself will be solely a management company, employing about 100 people. Although registered in Zurich, its operating headquarters will be at East Hartford, Connecticut, the home of Pratt and Whitney and its engineering centre will be based at Rolls-Royce's Derby works.

The IAE employees will be involved primarily in administration, while most of those who will ultimately be working on the engine will be based *in* the member companies' factories.

The cost of the V-2500 engine will be spread over about seven years. Certification of the engine is set for 1987, with deliveries to customers early in 1988.

The Rolls-Royce share of the development cost is about £226m. It will find £113m itself, and is seeking Government launch aid for the other £113m.

A Government decision on this is likely in the New Year, along with a decision on launch aid of up to £437m for British Aerospace's share of the projected A-320 twin-engined short-to-medium range Airbus.

The V-2500 engine, which will initially have a thrust of 23,000-25,000 lb, will not only be offered for the A-320, but also for other projected 150-seat airliners, such as the Boeing "7 Dash 7."

It could also be used in new derivatives of the smaller Boeing 737, such as the 737-300, and in some versions of the McDonnell Douglas DC-9 jet airliner.

Mr Ralph H. Robins, director of Rolls-Royce's civil engine group, is the first chairman of International Aero-Engines, with Mr Robert E. Rosati, formerly senior vice-president of Pratt & Whitney, president and chief executive.

Mr Robins said that IAE would start marketing the new engine immediately. Detailed design work has already begun, with each of the partners contributing much of the preliminary work they have already done on research and "demonstrator" engines.

In the case of Rolls-Royce and the Japanese group, this includes much collaborative work done on the earlier RJ-500 engine, of which two "demonstrator" engines have been built, and have been running for some time on the test beds at Derby and in Tokyo.

The work shares of the member-companies of IAE will differ slightly from their financial stakes. Rolls-Royce and Pratt & Whitney will each have 30 per cent of the work, the Japanese group 23 per cent, MTU 11 per cent, and Fiat 6 per cent.

Rolls-Royce and Japanese Aero-Engine Corporation will be responsible for the fan and compressor sections of the engine. Pratt & Whitney will have the diffuser, burner and high-turbine sections (the "hot" core of the engine). MTU will be responsible for the low-turbine section, and Fiat Aviazione for the engine's gearbox.

APPOINTMENTS

Carpets International chief

CARPETS INTERNATIONAL has appointed Mr John P. Friebe managing director of Carpets International (UK), the group's operating company in the UK. Mr Friebe, who joined Carpets International last May as UK marketing director, also joins the main board of the parent company. Mr Friebe was *previously* group managing director of Stoddard Holdings. Other board promotions at Carpets International (UK) are: Mr Gordon Field, deputy managing director responsible for all carpet operations in Kidderminster. Mr Keith Lister, deputy managing director responsible for residential tufting operations in Yorkshire. Mr Tom Bottomly, deputy managing director for yarn operations. Mr Graham Mallinson deputy managing director responsible for the company's tile business. Mr David Fletcher is also appointed to the board as director of management services. He will remain associate director responsible for manpower.

★

Mr John G. Adams has joined the board of NEIGHBOURHOOD STORES. He is also chairman of Southend Estates Group and deputy chairman of Higgs and Hill as well as director of Ransome Sims and Jeffreys and director of Associated Paper Industries.

★

Mr Alan Cockshaw and Mr Ossie Newell have been appointed to the board of AMEC, the international construction and engineering group formed through the merger of Fairclough and William Press.

★

Mr I. C. Atkinson, Mr K. W. Blackburn, Mr J. Gildersleeve, Mr R. J. Horsman, Mr C. N. Lewis, Mr T. Macnab and Mr D. M. Tattersall have been appointed directors of TESCO STORES LIMITED, the principal operating subsidiary of Tesco, from January 1.

★

Mr F. A. Yates has been appointed to the board of ANGLO-INDONESIAN CORP from January 1. He *remains* managing director of its subsidiary, The Chillington Tool Co.

★

Mr Eric B. Colwell has been appointed chairman of BRITVIC, succeeding Mr Michael Jackaman. Mr Colwell, a director of Allied-Lyons, had been deputy chairman of Britvic since June. Mr Jackaman is chairman of Showerings, Vine Products and Whiteways, the wines, spirits and soft drinks division of Allied-Lyons.

★

★

Mr Allan Price is to take over as chairman of BOCM SILCOCK and UNILEVER AGRIBUSINESS GROUP—UK and Ireland on January 2. Currently BOCM Silcock's managing director, he succeeds Mr Mike Dowdall who has been appointed deputy co-ordinator with Unilever's Detergents Co-ordination.

★

The Secretary of State for Trade and Industry has appointed Dr David Grieves and Mr Jake Stewart as full-time members of the BRITISH STEEL CORP for five years.

★

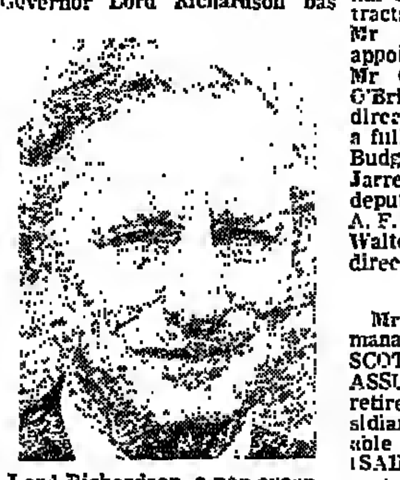
On January 1 Mr K. R. Harris becomes a director of MORGAN GRENFELL INTERNATIONAL and Mr G. A. Owen and Mr D. Roberts directors of MORGAN GRENFELL INVESTMENTS.

★

Mr Matthew Thorne has been appointed managing director of COMPANY INVESTMENTS, a wholly-owned subsidiary of C. H. Beazer (Holdings), from February 1. He has been a member of the corporate advisory division of County Bank for the last five years.

★

Former Bank of England Governor Lord Richardson has



Lord Richardson, a non-executive director of General Electric Company

joined the board of GENERAL ELECTRIC COMPANY as a non-executive director. There is no indication, however, that he might take over the chair when Lord Carrington departs next June to become Secretary General of Nato.

★

Mr Charles Tidbury, chairman of Whitbread and Company, has been re-elected as chairman of THE BREWERS' SOCIETY for a second year. Mr Ewart Boddington, *chairman* and managing director of Boddington's Breweries, Manchester, has been re-elected vice-chairman.

★

Mr Kenneth Jacques has been elected president of THE INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS.

★

A. F. BUDGE (CONTRACTORS) has made the following appointments: Mr John Bower has been appointed commercial director; Mr David Threadkeil has been appointed regional contracts director northern region; Mr R. J. Budge has been appointed managing director and Mr Geoff Fisher and Mr Pat O'Brien have been appointed as directors of Willesley Clay Co. a fully-owned subsidiary of A. F. Budge (Contractors). Mr George Jarrett has been appointed deputy managing director of A. F. Budge (Plant) and Mr Colin Walton has been appointed a director of A. F. Budge (Plant).

★

Mr J. D. Campbell, general manager (investment) of SCOTTISH AMICABLE LIFE ASSURANCE SOCIETY is to retire on May 12. A new subsidiary company, Scottish Amicable Investment Managers (SAIM), has been formed to control the investments of Scottish Amicable Life Assurance Society, including its various unit-linked funds and the managed fund SCAMPI, and to provide an investment management service for its segregated funds. On January 1 the investment directors of SAIM are: Mr W. G. Knox (managing director), Mr C. J. Bartram, Mr J. R. Crosby, Mr A. W. S. Gilchrist, Mr J. J. Guthrie, Mr E. L. McKnight, and Mr E. Robertson.

★

INDUSTRIAL FINANCE AND INVESTMENT CORP has appointed Mr Clifford M. Baker a director of Hedgeglow Leasing, *a subsidiary* of Industrial Finance and Investment Corp.

CONTRACTS

Thorn EMI wins £10m tape drive order

THORN EMI DATATECH, a tape drive company, has won a £10m original equipment manufacturer order for half-inch streaming tape drives from Hewlett Packard. The contract *is one of the largest for these* drives and could lead to future business with Hewlett Packard totalling £27m, the company said. Hewlett Packard is utilising Thorn EMI's 8900 streamer to produce its new HP7974A dual-density tape sub-system.

★

ENGELHARD INDUSTRIES has *won a contract*, worth nearly £2m from the Central Electricity Generating Board for the supply, installation and commissioning of a Chloropac 376 kg/h electro-chlorination plant at the Heysham advanced gas-cooled reactor power station. The plant, which is to be commissioned by mid-1985, will include eight cell *assemblies*, eight transformer rectifier power supplies, sea-water and hypochlorite dosing pumps, tanks, pipework and valves. The plant is sized to provide a solution of sodium hypochlorite to treat the sea-water used on both Heysham 1 and 2 power stations.

★

The *special test projects* division of MARCONI INSTRUMENTS, Donibristle, has received an order worth over £3m from Panavia Aircraft, Munich, the prime contractor for the Tornado air defence weapon system. Marconi will be providing functional automatic test equipment for the in-service testing, by the RAF, of the main computer and interface units of the Tornado's avionic systems.

★

A contract for a new milk and cream process plant, worth nearly £1m, has been awarded to APV INTERNATIONAL by the Milk Marketing Board as part of an £11.5m programme to modernise its Dairy Crest Creamery at Lostwithiel in Cornwall. When the new development is completed, manufacturing capacity will increase to over 800,000 litres/day, and whole milk powder will become *an important* product. The project will include the latest APV type R52 milk preheater plants, an SR30 cream pasteuriser and three 40,000 litre cream ageing tanks. In addition five 170,000 litre milk silos are being supplied, together with a three-bay road tanker cleaning unit. The plant *is expected to come on stream* early in 1985.

Arbitration refused on Civil Service pay

BY PHILIP BASSETT, LABOUR CORRESPONDENT

THE GOVERNMENT is refusing to allow to arbitration a pay claim of more than 12 per cent by about 1,700 senior civil servants. The Treasury has rejected the claim outright.

Two unions, the First Division Association, representing top-grade civil servants, and the Society of Civil and Public Servants, representing executive-level staff, submitted the claim on behalf of the top two grades in the Civil Service's administration group—senior principals and assistant secretaries.

In their letter to the Treasury, the two unions noted that the Top Salaries Review Body fixed in 1980 a differential between the top of these grades and the next up—the under-secretary grade, in the so-called open structure—of 93.6 per cent, suggesting a rate for assistant secretaries of £25,979.

Calculations on the basis of the 1980 pay offer produced a differential which gave a rate of £26,115. The two unions settled for a claimed rate for assistant secretaries at the top of the scale of £26,000.

This implies an increase of £2,841 from the present rate of £23,159, or 12.3 per cent. The top rate for senior principals would rise prorata under the claim from £20,794 to about £23,400—a rise of about £2,600, or 12.3 per cent.

The unions attempted in their claim to use the Government's arguments about paying only rates sufficient to recruit and retain staff. They suggested that the present assistant secretary rate could be one of the factors deterring the most able university graduates from entering the Civil Service.

However, the Treasury said there was no case for making a major adjustment to pay differentials. Treasury officials did not regard the differential as unaceptably wide, though the unions argue that the *second* stage of the latest review body award, due to come into force on January 1, will make them so by setting a new under-secretary rate at £27,750—a differential of 16.5 per cent.

In a further meeting between the two sides, the Treasury made clear it was rejecting the claim completely. Some officials thought the attempt to link it to 1980 pay levels was not even considered seriously attainable by the unions.

The Treasury also refused to allow the unions to take the claim to arbitration. Under Civil Service arbitration procedures, claims for staff at this level in the pay structure can only go to arbitration at the agreement of both sides.

Union officials were insistent that this hard line by the Treasury was because a prece*dent for any possible attempt to* go to arbitration over the main pay increase due in April for 530,000 white-collar civil servants.

The Treasury and the Council of Civil Service Unions have agreed detailed guidelines on the collection of outside pay data for this year's main Civil Service settlement, in a limited return to a restricted form of pay comparability—the first in the service since the Government scrapped the comparability-based Pay Research Unit in 1980, which led directly to the bitter and protracted strikes in the service in 1981.

Report warns of shortage among computer staff

BY JOHN LLOYD INDUSTRIAL EDITOR

EMPLOYERS recruiting highly skilled computer staff are suffering from a nationwide shortage, according to a report by Incomes Data Services, the pay research organisation.

The report said earnings among computer staff increased by between 10-13 per cent between April 1982 and April 1983 and many employers, including those in the public sector, pay a market rate supplement to computer staff to aid recruitment.

IDS says that the nature of employment in computing is changing rapidly as the technology changes. Evidence from the National Economic Development Office and the National Computing Centre shows that data preparation and operating skills are now in less demand as these tasks are taken over increasingly by clerical and management staff.

Instead, analysts and programmers are now in greater demand than ever. There is also evidence of a rapidly growing need for non-specialists with some computing skills.

A Manpower Services Commission report, quoted by IDS, says: "A significant and sustained upturn would almost certainly produce a surge in demand (for highly skilled and non-specialist staff) with accompanying shortages."

About half of the employers surveyed in the report—including Cummins Engines, Thomas Cook, Trustee Savings Bank and Brighton Council—said they had problems with recruitment, and most said this was a nationwide phenomenon.

Several employers and unions emphasised deficiencies in training, and blamed staff shortages on this. Those companies with advanced training provisions reported little or no difficulties with recruitment.

The study found that turnover of computing staff remained high, ranging from a 9.8 per cent annually for operators to a 22 per cent annually among data preparation staff.

Pay settlements—as distinct from earnings increases—over the past year range relatively widely, from 4 to 9 per cent. Public sector settlements have fallen in the 4 to 6 per cent range, with rather higher settlements in the public sector.

One glaring anomaly in pay in this sector is the very wide differential, which appears to be general, between the pay of male and female computer operators. A survey by the white collar engineering union AUEW Tass shows that average pay for female operators went down by 1.5 per cent between January 1982 and 1983, from £94.33 to £92.97.

This compares with male operators' pay, which went up from £123.83 a week to £134.59 a week over the same period.

The working week for computer staff varies with the sector of the economy in which they are employed. The average ranges between 34.5-36.6 hours (exclusive of mealbreaks), with a trend towards longer hours in private sector manufacturing.

(IDS Study: Computer Staff Pay; IDS, 140 Great Portland Street, London W1.)

Garage workers to receive £3.51 increase in pay

BY OUR LABOUR CORRESPONDENT

BRITAIN'S 380,000 garage workers will receive pay increases of up to 5.6 per cent on basic rates from next month under a deal agreed by unions and management which gives an across-the-board pay rise of £3.51 per week.

The deal, reached by the national joint council for the motor vehicle and repair industry, will come into effect from the first full pay week in January.

Garages have been accused recently of being areas of particularly low pay—with staff in some cases being forced to repay much of their earnings to cover *disparities* between amounts of petrol sold and cash taken as payment.

However, the new pay agreement follows an earnings survey conducted by the Motor Agents Association which showed that most garages paid more than the minimum rates.

The association said yesterday that although the minimum hourly pay for petrol forecourt workers, for example, was £1.60, the actual average hourly earnings were £1.77. Skilled mechanics were earning an average of £118.55 for a 40.27 hour week against the £85.41 minimum for a 39-hour week.

The rates applying under the new deal are: skilled mechanic, existing 39-hour rates of £85.41 up to £88.92 (an increase of 4.1 per cent); reception engineers, £91.65 to £95.16 (3.8 per cent); limited skill manual worker, £71.76 to £75.27 (4.9 per cent); unskilled manual worker, £63.18 to £66.69 (5.5 per cent); and forecourt staff, £62.40 to £65.91 (5.6 per cent).

The association said yesterday that most garages would be able to absorb the higher labour costs with only small changes to charges.

Ferry staff attempt buy-out

BY OUR LABOUR STAFF

STAFF in British Rail's Sealink subsidiary are trying to follow the successful example of the National Freight Corporation by attempting to mount a buy-out of the ferry company.

Sealink is due to be sold off as part of the Government's drive for privatisation. However, the net value of Sealink is more than three times that of the corporation, so it seems likely that the Government will prefer a single private sector buyer.

The attempt is being staged by a consortium of employees, led by merchant navy officers. The consortium intends to keep the minimum investment within the reach of all Sealink employees.

Sealink confirmed that talks had taken place with the staff, but that privatisation plans for the subsidiary were at an early stage.

Financials spotlight

LONDON

ONLOOKER

The equity market climbed relentlessly this week, each day bringing the FT 30 Share Index to another high. Only yesterday did prices falter slightly. Yet if prices were rising there was precious little serious activity to be found on the market floor throughout the week. The exception, however, was the financial sector where hard news and rumour mingled to envelope shares with an air of expectancy.

A faint sign of tension is at long last emerging from the battle for Eagle Star. Competing bids from Allianz and BAT have been lumbering along since the beginning of November but next week the two sides are heading for a final showdown. The Take-over Panel is refusing to allow the auction to be extended beyond the Code's deadline of 46 days. So the two sides have until 4.30 pm next Friday to lodge their final bids with the Panel. In that context Allianz's increased offer of 675p a share to match BAT's figure is largely irrelevant. Next week's moves will be the ones that really count.

Eagle aside, moves in the banking and financial services areas added to a mood of impending change throughout the financial sector.

A clearer move

Lloyds Bank enlivened the speculation that has been swirling around the share price of Royal Bank of Scotland in recent weeks. Lloyds has paid £23.1m to buy a further 4.9 per cent of the Edinburgh-based bank in the market, lifting its total holding to 21.8 per cent. The action sparked off a fresh surge in Royal Bank's share price for a gain on the week of 52p.

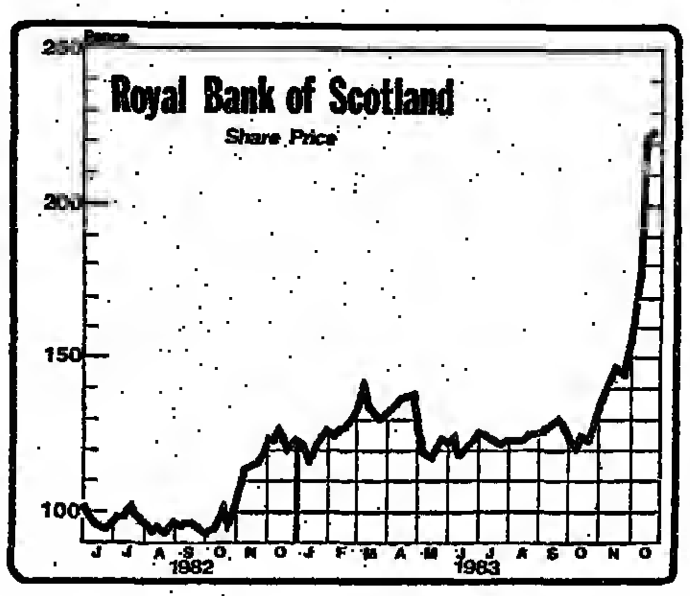
"A defensive move" cried the British clearer but the market has long learnt that a canny fund manager does not sell on day one when someone is building up an "investment" stake. Not that Lloyds is seriously perceived as a bidder for Royal Bank. However the action is a telling statement on how Lloyds believes the ground rules in the financial sector may have *shifted since the Monopolies* Commission outlawed competing bids for Royal only two years ago.

Lloyds says that the market purchases are part of its plan to attain full control of Lloyds and Scottish — the finance house 39.3 per cent owned by Royal Bank and 60.3 per cent controlled by Lloyds — and guard against any unwelcome ambitions by a third party either for L and S or Royal Bank itself.

Figures from Lloyds and Scottish this week left outsiders in little doubt as to why Lloyds Bank is so keen to keep the "never never" finance house in its portfolio. Even with an increase in bad debts profits for the twelve months to September shot up by £10m to £22.4m. Admittedly L and S is reaping the exceptional rewards of lower money costs against business taken by consumers *when rates were much higher.*

Lloyds Bank stepped up its interest in L and S after the abortive bids for Royal from Hong Kong and Shanghai, and Standard Chartered Bank two years ago. It would be logical to seek to guard its interest in the finance house. Yet the reasoning behind this week's activity seems less obvious. Royal Bank has made little secret of its willingness to sell out of L and S and Lloyds could surely afford to strike a deal. So why is the British clearer taking a marginally higher stake in Royal to protect its interest in L and S?

A more probable motive is that the Lloyds' strategists believe the wind of change blowing through the financial sector has swept away the barricades erected around Royal by the Monopolies Commission. Even if Lloyds itself has no intention of bidding for Royal it may want to make the most out of somebody else's efforts.



And merchants

While the market was still pondering events among the clearers, stockbrokers L. Messel next day stepped into the market with a buying order for shares in one of the UK's largest merchant banks, Kleinwort Benson.

The brokers were evidently dealing on behalf of an unnamed group of Arabs—acting through a Netherlands Antilles company—who wanted to top up an existing holding to 10 per cent. The buying was claimed to be for investment purposes only and not the forerunner of a bid.

Yet such is the bid fever of the financial sector that no sooner was the explanation off Messel's lips than Kleinwort's share price had shot out of reach with a 53p rise to 420p —25p over Messel's buying price.

As a result the brokers only picked up 200,000 Kleinwort shares rather than the 5.4m they were *trying for, leaving* the Arabs with a 5.2 per cent holding.

Around at Kleinwort's offices, feathers remained unruffled. The bank says it knows who the ultimate buyers are, describing them as clients of long-standing who are welcome on the shareholders' register. With Kleinwort family trusts holding a quarter of the equity and other family members holding further shares the board may feel fairly relaxed. But the stock market has become obsessed with changes in the financial sector —not least because of the rapid developments in its own neck of the woods—and Kleinwort's price stayed well over 400p.

MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1983 High	1983 Low	
F.T. Ind. Ord. Index	775.0	+15.7	776.2	598.4	Persistent selective demand
Ault and Wiborg	44	+10	70	26	Sun Chemical 46p bid
Belgrave (Blackheath)	114	+26	157	12	Interim results
Bellair Cosmetics	730	+105	730	17	Revived speculative demand
Coates Bros.	95	+105	102	80	U.S. acquisition
Cons. Murchison	825	+155	825	315	Ahead of dividend
Electronic Machine	70	+20	70	28	Persistent demand
FII	198	+19	201	67	Rhinotherm optimism
House of Fraser	246	+22	248	150	Share stake sale rumours
Ingram (H.)	255	+55	435	18	Speculative support
International Paint	202	+54	202	147	Minority bid from Courtaulds
Kleinwort Benson	435	+68	435	270	Arab consortium buys stake
Needlers	63	+11	66	48½	Bid hopes
Royal Bank of Scotland	225	+52	228	115	Lloyds Bank increases stake
Schroders	810	+70	810	465	Speculative bid hopes
Sheafbank Prop. Trust	29	+ 8	29	15	Rights issue and acquisition
Sovereign Oil and Gas	228	+33	290	125	Drilling report/Forties financing
Tanjong Tin	240	+90	250	93	Bid speculation
Westland	165	+16	167	124	Press mention
Yorkshire Chemicals	63	−11	85	44	Profit estimates downgraded

Take your partners

One of Wall Street's leading investment firms has found a new way of breaking on to the stock exchange floor. Rather than buy a 29.9 per cent holding in an existing London firm as did Security Pacific with Hoare Govett and Citicorp with Vickers da Costa, Prudential-Bache Securities is forming a joint venture with two individuals to form a brand new firm.

The British contingent is represented by Mr Ashley Down and Mr Christopher de Boer who have been heading up James Capel's corporate finance department. These two will be looking for 20 or 30 City gents, or ladies, to join them over the next year or so.

Prudential-Bache will be putting up the lion's shares of the initial £500,000 capital, though under U.S. insurance laws its voting interest will be confined to 8 per cent (the other 21.9 per cent will be non-voting convertible stock). There is little doubting the U.S. house's ultimate aim of formal control once the Stock Exchange's rule book permits.

Quite apart from scoring a first in the way that it has formed its UK presence, Prudential-Bache is also adopting a slightly unusual stance in that the new venture will be concentrating on European, rather than just UK, research. Also the members it has teamed up with suggest a bias towards corporate finance rather than traditional investment dealing. Another financial conglomerate of the future in the making?

Meanwhile the entrepreneurial figure of Mr Michael Ashcroft has stepped upon the stage. Perhaps better known for his rapidly expanding industrial conglomerate with a web of quoted subsidiaries and associates, Mr Ashcroft is taking his Hawley Group into the field of pin-striped brokers. This week Hawley took a 29.9 per cent holding in a five-man firm of Birmingham brokers, Fyshe, Horton, Finney.

Is Polly pretty?

An equally colourful entrepreneur who, so far at least, shows no signs of becoming a stockbroker is Mr Asil Nadir. He threw open the doors above his Commercial Road dress showrooms to meet the Press and the City's analysts this week. Those who were hoping that Mr Nadir was going to unveil long awaited plans to amalgamate his three quoted companies—Polly Peck, Wearwell and Cornell—went away disappointed. But they did get the 1982-8 annual accounts of Polly Peck and the eight-month figures from Cornell to August bringing the latter's accounting date into line.

With all the figures out of the way there seems no reason that the amalgamation cannot go ahead. It would not be surprising to see the details emerge within the next few weeks.

Not that the amalgamation of three Nadir companies will make the market less nervous about this empire. Polly Peck, now the leader of the trio rather that the older Wearwell, has come up from nowhere to profits of nearly £25m within three years. Outside forecasts are all over the place but the more conservative think they are safe with £50m pre-tax for the current year. All three companies together could top over £60m pre-tax.

Yet Polly Peck's freakish *growth* from packaging fruit and the questionable political stability of its Turkey/Cyprus bailiwick hardly inspire complete peace of mind. Even so, institutions keep coming back for more every time the price takes a knock—a fairly frequent event over the past year.

Fistfull of dollars

In a week when company results were spread fairly thinly the full year figures from Grand Metropolitan stood out. For the year to September pre-tax profits shot ahead by £75m to £295.2m largely thanks to the rapid rise of its overseas operations.

Brewing and consumer services in the UK managed to keep profits moving ahead—the foods division actually registered a small setback because of margin pressures on dairy products—but as a whole domestic operations have laboured under heavy re-organisation and rationalisation costs.

It was the strength of the U.S. business, accentuated on conversion into weak sterling, which provided the driving force for Grand Met's results. Trading profits from the American consumer division surged from £64.7m to £98.4m over the year. Pride of place went to Liggett which has captured a large slice of the U.S. cigarette market. The international hotels division should not pass without praise, for profits climbed from £22.9m to £27.3m even though the full benefit of the Intercontinental chain is yet to be felt.

Good spirits

NEW YORK

PAUL TAYLOR

SANTA CLAUS paid a brief visit to Wall Street in the middle of last week in the unlikely guise of the unknown statistician at the U.S. Department of commerce who estimated GNP for the final quarter at only 4.5 per cent annually. This indication that the expansion in the economy is moderating and is thus less likely to provoke the wrath of the Federal Reserve Board was just what Wall Street wanted to hear.

Stock prices rose sharply following the Commerce Department's announcement which was accompanied by some optimistic comments from Mr Donald Regan, the Treasury Secretary, and turnover in the Stock Market returned to something like bull market levels.

With the December tax loss selling season beginning to wind down and the retailers clearly enjoying record Christmas sales, all seemed set fair for an end of year rally to warm the cockles of brokers' hearts.

However, at the end of the week, the rally still seemed unsure of itself. Turnover remained good, but there were as many sellers as buyers in the market and investors took two heavy body blows from setbacks in the airline and utility sectors.

The rest of the market had little to show for itself by the weekend. Oil stocks looked firmer at mid week when there was some buying by major institutions who took the view that the sector is oversold. Motor issues tried to edge forward on reports of improved profitability but quietened down before the end of the week.

The setback in airline issues, which took the Dow Jones Transportation Average down by nearly ten points at one time was a jolt for the market which has taken an increasingly bullish view of prospects for the industry.

The shakeout was triggered first by an announcement from UAL (United Airlines) that it will adjust some of its fares to become "more competitive." Later, UAL clarified its statement, stressing that it had "no intention of setting off a price war," but the stock market had already taken fright. Any revival of fare discounting among the U.S. domestic air carri would be bad news for the st market—bringing unpleas memories of the savaging industry profits last year.

The fall in airline stocks n prove to have been overdo and fare discounting well truly laid to rest. But the s den dip in stock prices may be a warning from the mar not to take too much granted.

The hammering of uti stocks on the same day more predictable, even if timing was unexpected. T Stock Market has been incre ingly nervous of the proble of cost and of public opposi to the building of nuc power plants. Long Isl. Lighting (Lilco) has strugg to obtain approval for its Sh ham site, which has the dis vantage of being a little close to Manhattan for comf

But last week brought problems of the utilities to m ket in a hurry. First, a st task force said that pul service of Indiana should se its Marble Hill nuclear pov project and that stockhold should take a "substantial p portion" of the near $ already spent.

Then, Lilco warned that dividend is at risk, which no surprise in view of heavy cash drain imposed Shoreham. And, to compl the sector's misery, Caroli Utility cancelled a nucl power project.

The falls in utility stocks had news for those instituti which have been buying th in recent months as an inter rate play—any easing of terest rates boosts earnings the utilities which are hea users of capital.

The market effectively s goodbye last week to trading American Telephone and Te graph stock after 83 years. and T stocks will trade tl week with an attached coup representing the stock of 1 new operating companies whi formally become flesh January 1.

And finally, American E press found itself obliged sweeten its terms for the de with Allegheny Corporation b cause of the 15 per cent fall its stock price since it disclos the cost of problems at the fi man's fund subsidiary.

MONDAY	1244.61	+ 2.
TUESDAY	1241.97	− 2.
WEDNESDAY	1254.98	+13.
THURSDAY	1253.66	− 1.

Odd goings-on at the cabbage patch

"I HEREBY declare the annual meeting of the Cabbage Patch Kids open," said the Bookmaker jocularly as the last plate was cleared away to be replaced by the coffee and decanters.

This remark found little favour with the Cautious Man. Always suspicious of the Bookmaker's sallies, he considered that there was a lack of decorum, if not good taste, in likening the five old friends to odd-looking dolls, especially when they were about to have their annual after-dinner discussion on mining investment.

The Old Investor merely looked around him benignly—the roast sirloin had been magnificent and so had the Fleurie, his favourite wine—and he could not help feeling that in a certain light the Bookmaker's description of them was not all that wide of the mark.

Still, he forbore to chuckle. It would only encourage the Bookmaker to more facetiousness.

Moving spirit

Alas, it was to no avail. Having poured his first generous brandy and sent the decanter on its clockwise journey in the wake of the port, the Bookmaker added: "I got a Cabbage Patch Kid for the wife. Seemed a fair exchange."

"Come, now," admonished the Eager Man. He would have spoken sooner had there not been a little problem of consulting his shareportfolio and lighting the wrong end of a cigar at the same time.

"My MIM Holdings, bought two years ago, are up on balance. Not much, but a profit'a a profit."

"We've all made a profit of sorts on our holdings this year," said the Young Investor. A trifle smugly, he continued, "I fancy that I've come out best with a 30 per cent gain over the year on my Rio Tinto-Zinc convertible loan stock."

The Bookmaker, a kindly man and mindful of the fact that his young companion had bought the stock for his infant son on *the advice of* the Old Investor, smiled and turned to the last-named.

"I seem to remember," said the Bookmaker, "that you were also going to recommend the stock to your dentist, Mr René. Did he buy it?

"I fervently hope so," replied the Old Investor, who was overdue for his dental check-up.

"What about my MIM Holdings," interrupted the Eager Man who by now had mastered the cigar, if not its ash which was poised perilously above his coffee cup, "the price of copper is low and by all accounts overproduction of the metal seems likely to continue indefinitely."

"That's true enough," replied the Old Investor, "but there is spare production capacity in most metals these days. Eventually, the consumer-led economic recovery will spread to the capital goods sector which is of prime importance for the base metals.

"Mind you, I cannot see any runaway rise coming in their prices, although the low-cost mines will still be able to earn respectable profits.

MINING

KENNETH MARSTON

"MIM will probably be all right but if you want a wider spread of interests, especially in the U.S. which is recovering strongly, then I suggest that you switch into Newmont Mining. It's one of the best," be added.

"Good enough for Consolidated Gold Fields," piped up the Young Investor, sagely, "and now that the London group is gradually to raise its stake in Newmont from 26 per cent to 33¼ per cent, the purchases should help to underpin the Newmont share price."

Thus done, he sat back and, with some aplomb, passed the port to the patient Cautious Man. The latter passed it on to the Eager Man in the hope that it would keep him quiet while the company's views were sought on the subject of Canada's nickel-producing Inco.

The Cautious Man had suffered a rather nasty experience with this investment in 1982 but his losses had been fully recouped in 1983.

"What should I do about my Inco holding now" he asked.

"Stay with 'em," said the young sage to his right.

"No. Over the side with 'em and have a punt in something more exciting," said the Bookmaker as he poured another brandy.

"Damn," said the Eager Man as cigar ash fell into his coffee.

"On balance," said the Old Investor, "I would keep the shares. The nickel market is picking up, Inco is a low-cost producer at its Sudbury mines and the company is a leaner and, I hope, a more efficient animal these days, having learned some painful lessons in the past."

"Just done a nice deal with Taiwan, too," added the Young Investor whose display of investment knowledge was beginning to grate, just a little, on his elders.

As ever, the Bookmaker restored the good humour of the gathering. "Nobody's said a dicky bird about my Seltrust Holdings," he announced. "Bought as a long-shot two years ago and still a long way from the winning post."

"You should have blown one of those pep pills through a paper tube into the horse's month," said the Cautious Man as, with an ill-concealed snigger, he congratulated himself with a glass of port.

"The trouble was that the horse blew first," retorted the Bookmaker, adding with a guffaw, "they call me the fastest thing on two legs at Kempton Park now!"

"Well," replied the Old Investor, "I did warn you that Seltrust was a long term speculation. And I still believe that British Petroleum will not let this wayward subsidiary and all its Australian shareholders go down. I think that BP will see them right, as they say."

"Talking of Australia," asked the Eager Man, "what about your Western Mining holding?"

"I was hoping that nobody would ask me about this one," replied the Old Investor. "They fell in 1982, recovered strongly in 1983 and now that I am showing a modest profit everybody tells me that the shares are over-priced.

"I like them because of the company's shrewd management and exploration track record, and its gold interests because I think that gold will recover next year once the U.S. dollar stops rising and inflation rates edge up."

"I'm glad I took a small profit on my Western Deep Levels gold share options while the going was good," said the smug Young Investor.

The Eager Man was not to be side-tracked. "Are you going to keep your Western Mining, or sell them?" he asked the Old Investor.

Now becoming almost insufferable, the Young Investor interrupted: "I know what I'd do. I'd sell the shares and re-invest in the options which are exerciseable at A$1.50 per share (about 93p), starting in the last week of February. That way I reckon I'd get a better run for m ymaney."

"I'd keep 'em," said the Bookmaker who preferred to back favourites rather than outsiders.

Down below

"Something's burning," exclaimed the Cautious Man.

"Under the table," said the Eager Man.

"Who is?" asked the Bookmaker, peering below the tablecloth.

"Not who, but whatever it is that is burning," said the Young Investor as he dived below the table.

"Got it!" cried the Cautious Man as he scrabbled for the Eager Man's cigar in the smoky depths.

Heads bumped. The Bookmaker roared with laughter, overbalanced and grabbed for the tablecloth as he, too, slid beneath the table. Cups, spoons, saucers and glasses merrily followed.

The Old Investor took advantage of the mayhem to make his usual silent departure, leaving behind only the customary spiral of cigar smoke.

"He's slipped away again," observed the surfacing Bookmaker.

"Always does," said the Cautious Man, wiping himself down with the Young Investor's napkin.

"And we still don't know what he is going to do about his Western Mining shares," added the Eager Man.

"We'll just have to wait until next year to find out," replied the philosophic Young Investor as he trod on a spoon.

SAVINGS OFFER

	Page
The European Banking Traded Currency Fund Limited	1
Barlow Clowes & Partners	6
Barlow Clowes & Partners	22

UK CONVERTIBLE STOCK 24/12/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates♣	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Eqn§	Income Conv¶	Income Div♡	Cheap (+) Dear (−)◊ Current
British Land 12pc Cv 2002	9.60	325.50	333.3	80-87	3.7	0.1	− 5.2	− 5 to 4	30.4	34.3	1.1	+ 6.3
Hanson Trust 9½pc Cv 01-06	81.54	272.50	107.1	85-01	3.6	0.1	− 2.2	−12 to −2	167.9	73.5	−33.9	−31.7
Slough Estates 10pc Cv 87-90	5.03	261.50	234.4	78-84	3.8		−10.0	−10 to −5	6.7	0.0	− 2.3	+ 7.7
Slough Estates 8pc Cv 91-94	24.72	121.50	97.5	80-88	6.6	4.5	0.5	− 1 to 6	21.7	24.9	2.7	+ 2.2

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♣ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

Turkey and chips coming up

N ASTONISHING Christmas ...ending spree cleaned out ...ost High Street shops of home ...mputers. If one of the million ... more units to have been sold ... the UK during 1983 has ...und its way into your home, ...uld it be of any practical use?

A glance around the computer ...ftware shelves of any branch ... W. H. Smith makes it clear ...at the current emhapsis is all ... games. This Christmas the ...icroelectronic circuits will be ...reoccupied with the antics of ...rious types of galactic in...aders, or with more elaborate ...dventure games.

The memory chips may be ...aded with something a little ...ore intellectual, like chess or ...mputer scrabble.

But when the games have ...een finished, the hardware will ...e available for something more ...rious. Family finance is an ...bvious field where home com...uters could be put to work.

A computer on its own, how...ver, has serious limitations to ...hat it can do. Machines like ...e Commodore 64 or the BBC ...odel B can be the basis of ...ffective business systems, but ...nly because they can be ...atched up with expensive ...dd-ons like disk drives and ...gh quality printers.

In no time, this will push the total cost of the package up to the region of £1,000—a far cry from the £100-£200 range which will buy you a simple Spectrum, Oric or Dragon.

For domestic tasks, therefore, you will probably have to make do with a simple machine plugged into your TV set, and fed with programs through the crude but cheap medium of a cassette recorder.

This method of loading and saving programs is not only slow —the programs reviewed here took up to 3½ minutes to load— but can also be hazardous.

It can be infuriating to find that your precious data has somehow got lost or garbled. But at least spare computer cassettes only cost 50p each, and it is fairly easy to keep duplicates in reserve.

The main problem at present, however, is the lack of availability of a broad range of software. Writers of programs have been drawn to the more lucrative games market, though some of them now accept that financial software for domestic users might have the virtue of a long sales life.

In the business field, fortunes have been made out of financial software, notably with so-called "spreadsheet" programs which help businessmen to analyse their finances. But private individuals do not normally run their affairs like a business, so a rather different approach is needed.

A practical problem is that of bringing together the computer wizards who write the programs, and the financial experts who advise on what the programs ought to be designed to do.

Tax, banking and portfolio management are some of the obvious areas which can be tackled, but it is vital to have a clear idea of what might be valuable to a user who is not a computer freak.

After Scrabble, chess and Space Invaders, you could put your computer to work on family finance ...... BARRY RILEY reports.

Inevitably, this brings us to the subject of "user friendliness," the jargon phrase for acceptability to the man in the street. One of the programs discussed here is even claimed to be "super friendly."

The basic choice here is whether to clutter up the TV screen with elaborate instructions, which slow the action and absorb precious memory, or whether to ask the user to devote several hours to mastering a complex manual before he can manipulate the program to useful effect.

Different types of user will favour different approaches. I must confess that my own experience was to find the cursor frequently stranded hopelessly in the wrong part of the screen, or to find it impossible to stop the computer relentlessly performing the wrong task.

Was it entirely my own fault? I derived comfort from Oxford Computer Publishing's instruction booklet for finance managers which said, with refreshing honesty: "While we try very hard to produce a totally bug-free program it is always conceivable that there is one bug that we have missed."

Bugs are an inevitable risk in pioneering family finance programs such as these. To most people, probably, they will have little more than curiosity value. There is still a lot to be said for the old-fashioned information processing system called pen and paper.

But when the software is further refined, and the price of the add-on equipment comes down more in line with that of the computers themselves, it could be a very different story.

'Let's get it over before dad starts checking his credit card'

It's you against the taxman

...HIS IS a program designed ...o work out your personal tax ...ill, and has been written by ...xperts from Money Which? ...nd the Consumers' Associa...ion.

The first question is whether ...ou are 1—Male or 2—Female ...nd though the alternatives get ... little more tricky later on it ...emains a straightforward pro...gram. It runs on the BBC ...odel B.

After ploughing through a multitude of screens and answering all the questions, the machine will work out your tax bill. Taxcalc is claimed to be capable of coping with all but the most unusual personal circumstances. However, if you wind up in disagreement with your tax inspector you may still need to find out where the differences arise. This will mean poring over the accompanying 56-page booklet packed with detail in tiny type. So Taxcalc is not necessarily an easy way out — though it is no doubt a lot cheaper than hiring an accountant.

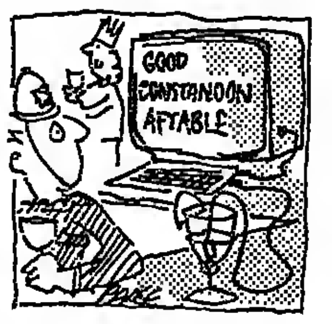
The big disadvantage of a tax program like this is that it can only be valid for one year — in this case the 1982-83 tax year. It will have to be updated for future years. If any tax changes are small, then it might be possible for somebody with knowledge of BASIC programming to change a few lines in the program.

Otherwise it would be necessary to buy an updated version —which would certainly be needed if more fundamental tax changes required adjustments to the program's structure.

Taxcalc, published by the BBC, 35 Marylebone High Street, London W1M 4AA. £17.25.

Smiles at one of 1984's new babies

One for the meticulous



A PLEASINGLY simple program to use, with all the necessary instructions crammed on to a card tucked into the cassette case. It is written for the 48k Sinclair Spectrum.

It includes a budgeting program and a bank account section, together with a facility for calculating mortgage repayments (which seemed to work quite well, though I am happy to let the building society do it for me).

An immediate impression, however, was that the computer was annoyingly slow in responding to the inputting of figures; it was therefore a vital design feature that an audible beep signalled that each figure had been registered.

The program, moreover, seemed intolerant of my mistakes. When I inadvertently, through clumsy keying, called for a bank statement for November 1938 instead of 1983 the computer began to search through 45 years of empty files at the rate of about one day per second. I could find no way to stop it short of pulling out the plug.

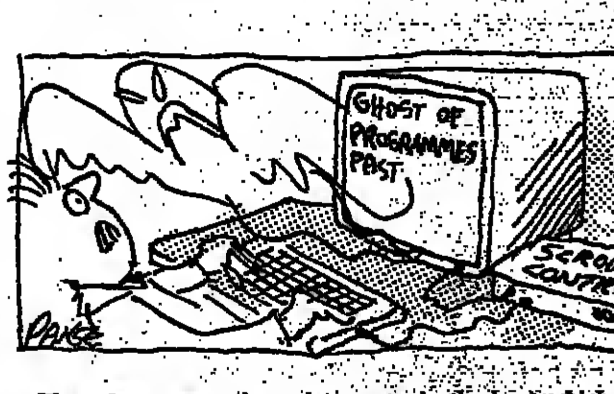
No doubt with practice you learn to be more careful. In other respects this seemed to be a very effective piece of software for those admirable people who manage to keep their financial affairs perfectly organised.

For most of us, there would be severe practical problems —in entering transactions through a joint bank account, for instance.

And if you are so hard up that you have to budget so carefully, can you really afford a home computer?

Cash Controller, by Richard Shepherd Software, Elm House, 23-25 Elmshott Lane, Cippenham, Slough, Berks. £9.95.

Don't be fainthearted



FAST-MOVING and elegantly designed, Finance Manager seems to have a lot of potential, but only if the user is prepared to put some effort into mastering it. A complex instruction booklet is packed with opaque commands such as "return to the Process Trans Menu" which will rapidly deter the fainthearted. However, it is worth persevering.

Finance Manager, for the 48k Sinclair Spectrum, is basically a filing system for recording financial transactions, but with a number of refinements. It can operate up to 255 separate accounts, including over 1800 individual transactions. There is automatic double entry, so that if you enter a payment by cheque to, say, Sainsbury's, a matching debit will appear on your bank account.

The data can then be manipulated in various ways —you can call up your bank or credit card account, for instance, or analyse expenditure according to a variety of categories to which transactions can be assigned.

The file data is saved separately on to a second cassette (not provided, although there is room for one in the box) which should make it easy to keep duplicates.

But you do need to be relatively computer-friendly. And as with Cash Controller, you would need to be exceptionally well organised to find such a program useful.

Finance Manager, by Oxford Computer Publishing, PO Box 99, Oxford.

Mother-in-law's assets

My mother-in-law, aged 68, has an estate worth approximately £200,000, consisting of house and contents (£100,000) securities, mainly local authority bonds, (£70,000) and shares in a family company (£25,000). On her death the estate is to be divided equally between her three daughters. So far no measures have been taken to avoid capital transfer tax.

An insurance broker is suggesting taking out a capital transfer tax asset protection plan, through an assurance company, which is specially drawn up for "locked in assets" such as a house, work of art etc. I understand that the plan is based upon the fact that CTT liability is assessed upon the loss to the donor rather than value of the assets received by beneficiaries. The donor takes out a whole life assurance policy with the first premium paid immediately and the second one due three months after the donor's death. I am wondering what line the Inland Revenue is likely to take on the scheme and if the scheme would be the most apt for my mother-in-law?

Your mother-in-law needs independent professional advice, and the size of the estate appears to us to justify the expense. If none of your friends can recommend a solicitor or accountant, perhaps your bank manager can help.

Personal financial planning is best done across a table, in the light of all the background facts.

Victim of Nazi persecution

I was widowed in May of this year and my main income is the widow's pension paid to me from the German state department by whom my husband, formerly German and a victim of Nazi persecution but naturalised British, had been employed. Originally when the pension was granted my husband paid tax in both countries but later on reclaiming his German nationality (he then had dual nationality) tax was only payable in Germany. Since that time there have I know been agreements between EEC countries regarding tax but so far the Tax Dept have been unable to inform me if I shall be liable for tax on any part of my pension from Germany. The money is taxed of course at source and I am never sure of the actual monthly amount I receive as it is dependent on the rate of exchange. I am British by birth.

Can I please have your opinion.

Your husband's dual nationality entitled him to exemption from UK tax on his pension, by virtue of article IX (2) of the FRG-UK double taxation convention of November 26, 1964. As you are not (apparently) entitled to claim German nationality, your FRG pension will be taxable here. However, the combination of FRG and UK tax is unlikely to exceed 15 per cent by virtue of section 22(2) of the Finance Act 1974. Ask the tax office for a copy of the free booklet IR25 (Taxation of foreign earnings and foreign pensions). If they do not eventually sort out the position for your satisfaction, please come back to us (with precise figures for each of your pensions etc). Preserve your German tax papers for production to the UK authorities.

Nuisance from chimney

My father's house and the adjoining property have a common wall. The adjoining property have a downstairs fireplace and chimney in this wall. When they have a fire the wall becomes hot and smoke comes through the wall into my father's house. We have requested that they line the chimney or stop having fires but they refuse. The previous owners did not use the fireplace. My father has no fireplace or chimney in this wall.

Obviously the fire gases are causing the wall stone and mortar to decay. What can we do to stop the neighbour causing the smoke damage which if it continues may cause the points to catch fire?

If, as seems likely, you can establish that the smoke which penetrates from the adjoining house does so otherwise than by reason of the original design of the chimney, your father would have a cause of action in nuisance and could seek an injunction to restrain his neighbour from causing or permitting the nuisance; provided that the nuisance has not continued for more than 20 years.

Tenancies and grazing

I have followed and noted your correspondence re tenancies and grazing over the last year with interest. It has been suggested to me that if cattle are grazed rather than horses, or as well as horses, a 364-day agreement does not avoid a tenant acquiring agricultural rights. Could I please have your opinion?

The statutory proviso which exempts grazing tenancies for less than a year from the security of tenure afforded by the Agriculutral Holdings Act 1948 is not limited to grazing by horses; it includes grazing by cattle.

Holiday insurance

I am proposing to book up a holiday country property next year with a firm which specialises in this business. They impose a condition that with every booking made, one has to take out their own insurance scheme covering cancellation. I do not wish to do this as I always use my own insurance arrangements which afford me better cover. I seem to have heard about "conditions of sale" which I thought was illegal. Can you please advise me on this question?

I have used another Company in the North which has the same stipulation in their terms but they do not insist when I put it to them. I would however much like to know the legal position.

The term to which you refer does not appear to be illegal, and we doubt if it would be struck down as an unfair term under the Unfair Contract Terms Act 1977. Your remedy is to do business with a firm which does not insist on the term to which you object.

Capital gains tax

For some years I have had a second home on the Welsh borders. Recently in preparation for retirement I have moved to the present smaller house. I understand I now have the option of declaring either as my main residence.

The old house on the Borders was bought for some £2,000 in 1966 and now, following considerable hard work and expenditure could be worth £45,000.

What is the position regarding CGT? Should I inform the Income Tax Officer that this will be my main residence in future? Quite genuinely, I shall be spending at least half my time in the house.

You have the right to nominate either house as your main residence (for CGT purposes only), by giving notice to your tax inspector under section 101 (5) (a) of the Capital Gains Tax Act 1979. The notice can be retrospective, up to 24 months: and you can alter your choice later (again up to 24 months retrospectively).

An outline of the complex and arbitrary rules is available in a free leaflet CG4, from any tax inspector's office; but it tends to oversimplify them, so it can be misleading.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

FINANCE AND THE FAMILY

BY OUR LEGAL STAFF

The weight of a will

The draft of a Will and Trust has been re-drafted so that what was covered by the Trust is now detailed in an Appendix to the Will. This Appendix mentions possible future beneficiaries, and also contains my wishes for the care of my grave and other matters.

According to this latest draft, I would, of course, sign at the bottom of the document and all would be part of my will. Nevertheless, I am worried that what is mentioned in the appendix should have less weight than that mentioned beforehand. I am thinking of a possible dispute over the will, where a beneficiary mentioned in the main part, who would be disadvantaged by the implementation of a clause in the Appendix, could claim that the main thrust of my wishes was expressed in the will and not in the appendix.

I was thinking of having the draft changed so that what is now in the appendix would be headed as "Part Two." Would you advise to do this, or do you think that my worries are unjustified?

It is better to redraft your will so that the matters in the "appendix" are all fully incorporated in the will, and of course to execute the fresh will anew in front of two witnesses who are both present at the same time and sign the will as witnesses to that fact.

Selling the Silver

When my parents moved house in 1950 they gave me their large furniture together with silver and paintings. For the same reasons as my parents I have found the furniture too large. I have sold a large proportion. They have been sold as separate items, and the highest price I received was £3,500 for a piece of furniture. Would I be liable to capital gains tax?

Chattels worth less than £3,000 are exempt from CGT and while the balance over £3,000 is chargeable, the first £5,300 of all gains in a year is exempt.

Payments to ex-wife if she doesn't tell

The English High Court ordered me to pay my former wife £100 per month, until she remarries or cohabits, as a result of a divorce by consent. I cannot easily discover relevant changes in my former wife's circumstances because I work extensively in South Africa and she does not communicate. I send the £100 monthly to her last known address. I suspect that she will cohabit or re-marry without informing me, and continue to cash the cheques. In the event of this happening would it make her guilty of unlawfully taking money by fraud or deception? If so, would it be a breach of criminal law, which could lead to a police prosecution, or a breach of civil law allowing me to sue privately?

If I took up South African residence or citizenship could the English court order be enforced?

If the event which you envisage occurred we think that there would not be a criminal offence unless there were an untruthful response to a direct question. However moneys paid after the order had ceased to be effective may be recovered as moneys paid under a mistake of fact. There are no reciprocal enforcement arrangements with South Africa.

When she drove away with another man

My wife is carrying on with another man and she still used the home but my solicitor said I could not lock her out. Last week when she went to work in her car in the morning she took several things with her in the car. I reported it to my solicitor and he told me to change the locks and keep her out, this I did.

This week while I was at work she came with a van and smashed a window and has taken practically everything: all she left is a bed, wardrobe and the television not even bedclothes or towels. She also smashed the garage doors and took all my tools.

I have reported this to my solicitor and he says I can do nothing. I have called in the police and they say they can do nothing.

What I would like to ask you is this correct?

Can I sue her or take a court order against her?

Can I make her return my personal goods?

From what you say it seems that you should be able to obtain an injunction for the return of your personal chattels and tools. We suggest that you press your solicitor to consider taking such a course urgently.

هكذا من الأصل

Fantasies about companies

DOMINIC LAWSON picks his new year naps from the equity market. Warning: This is an imaginary portfolio. Otherwise it would seriously damage your wealth.

● ***The Turkish Magic Carpet Company.***

This company has perfected a method of taking perfectly ordinary businesses, and then placing the assets on one of its patented levitating carpets. The carpet never fails although there is a danger the passengers may fall off, if they forget the magic spell: ("only buy, never sell")

● **Pitch and Put**

This is the last firm of quoted stockjobbers not to have been bid for in the great Stock Market liberalisation scramble. Although Pitch and Put makes a market only in its own shares (cumulative deference) it is bound to be attractive to any U.S. financial institution which doesn't know any better.

● **Tusk Sciences.**

This biotechnology venture is shortly to make its USM (Unlikely Securities Market) debut. According to the prospectus, Tusk Sciences has devised a totally new application *for* recycled elephants droppings. We cannot give further details for reasons of good taste and commercial security.

NOT AN ADVERTISER'S ANNOUNCEMENT

SELL AND PROSPER— DETERIORATING COMPANY FUNDS

Have you noticed the way the British economy has been going over the last 110 years?

It doesn't take much research to be able to say "down." What does take intense research however is picking the worst companies.

Here at Sell and Prosper, we have pieced together a team of leading industrialists from the West Midlands and Lancashire with a consistent record of picking losers.

Our investment philosophy is based on a subtle synthesis of the "bottom-down" and "knock-'em when they're down" approaches. Using our Neo-Malthusian, lack-*of-supply* side economic theories we first identify a poor country, then a poor sector in the country and then a poor company in that sector.

Whenever we find one, we sell it short.

This week our unique 258½-day moving average gave us an unmistakeable "over-bought" signal for the UK stock-market, a market with unlimited potential for short-selling.

Our philosophy in the UK market has always been only to invest in the mouldiest-chip stocks.

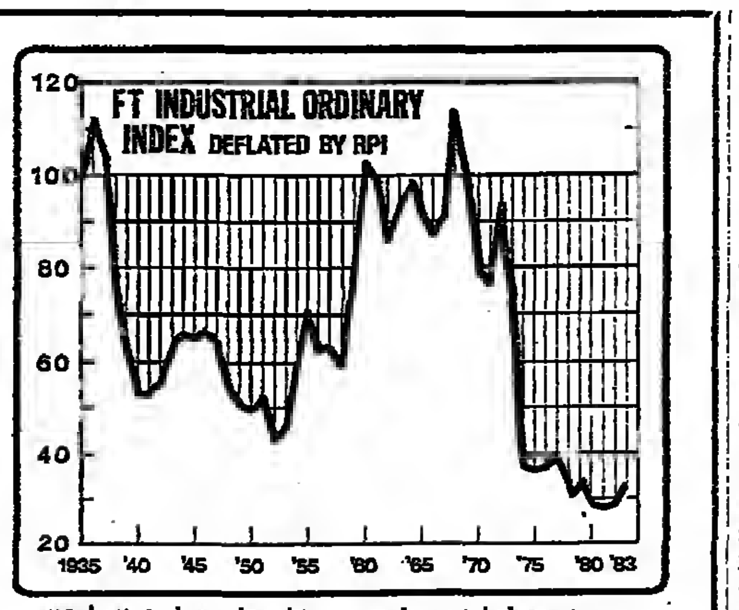
On February 3, we went short of London and Liverpool Trust at 314p. On December 13, we bought back to cover our position at 33p, a profit of 850 per cent.

On June 2, 1982, we went short of *Caravans* International at 18p. Six months later the company was bust and we bought back at 3p, a 500 per cent profit.

DTI obligatory warning: the price of shares can go up as well as down.

* Trade unionists may also be interested in a new fund we have launched in response to the recent legislation, and court judgments:

The Sell and Prosper Trade Union Special Situations Fund, based offshore in Eastern Siberia. The ideal way of protecting your capital against the ravages of the present Government's policies. Guaranteed proof against sequestration.



● **The Erewhon Trading Company.**

This is the ideal shell company for 1984. It has no turnover, no employees, and no front *door bell. However it has an* all important quote (on the Bermudan Triangle Stock Exchange) and is therefore an obvious target for the company which is looking for runaway success.

● **Oxford St. Umbrella Sella Unlimited**

The West End Adventure Capital Kerb Market (Unlicensed Dealers) is offering for sale 94 shares at £9.99 each, so long as there are no policemen about. International investors (American tourists) pay double.

● **Widgets International**

My recovery stock for 1984. Over the past three years this famous old firm of metal bashers has absorbed £498m in pre-tax losses, and £1bn in below the line write-offs. Reports that WI's shares have been suspended should not deter investors; this could herald the bid I forecast this time last year, and the year before that.

● **Misapplied Semilogic.** USM high tech stock of the year. It has not yet made any profits but the managing director has subscriptions to every available computer magazine (hence last year's £1.5m loss) and is therefore well placed to assimilate the latest developments in semi-conductor technology.

● **The Stonehenge Tablet.** This newspaper's "BC" shares are quoted on the Wiltshire Stock Exchange, but the price does not yet reflect the company's 0.00000001 per cent stake in Reuters. Buy now and you too can share in a £1.5bn windfall!

● **Blarney Oil.**

Despite all the frenzied activity in Irish oil stocks, this one appears to have gone unnoticed, even by its own rig workers. However it has acquired acreage at the exact antipodes to Gulf's famous discovery in Block 49/9 of the Celtic Sea. So if the oil is much deeper than Gulf's seismics have indicated, Blarney's asset value could be miraculously transformed.

● **My last nap is "2084 Copyrights plc."**

Have you noticed how well George Orwell did out of 1984? 2084 Copyright has acquired exclusive rights to the use of the year in all media forms known or likely to be discovered over the next 100 years. Buy now and hold for (very) long term capital appreciation.

Five little pigs went to market

ANNA HEALY-FENTON looks at how Mickey Mouse and others are entering the savings Market.

THIS YEAR, the likes of Snoopy, Paddington Bear and Mickey Mouse will not just be filling out stockings tomorrow morning. They will also be jostling for position next week as they vie with less well-established animal characters like Sir Nathaniel Piggy to lure Granny's Christmas fiver into children's savings accounts all over the country.

Of all the banks and building societies trying to entice *child savers with gimmicks*, National Westminster has gone to the greatest lengths to devise the most extravagant package and outdo the competition.

It has come up with the Westminster Piggy family, a five-piece pottery Piggy bank which the child receives free as an incentive to save. Baby Woody Piggy wearing nappies is the *reward* for opening *an* account. His sister Annabel, brother Maxwell and parents Lady Hilary and Sir Nathaniel Piggy trot alone one at a time for each £25 deposited. Savings progress is calculated on Woody's Wobbly Tree chart.

The Piggies have proved to be so popular with both children and NatWest staff since their *launch a fortnight ago that* stringent security measures have been taken to prevent them escaping from their pens in the bank.

None of NatWest's com[...]tors has come up with suc[...] expensive scheme (five Pi[...] cost NatWest about £[...] Lloyd's Black Horse [...] attracted over half a mi[...] children's accounts with a [...] money box and a holiday c[...]petition. Barclays has a sin[...] number of accounts and of [...] £5 claimable with Procter [...] Gamble packet tops.

Midland, in conjunction [...] Helix International, offers [...] free with a token from a H[...] Instruments box. Little sa[...] also get the chance to ent[...] family holiday competition, [...] so far only 20,000 have ope[...] accounts.

The building societies [...] stuck to familiar old favour[...] to promote their children's [...]ings products. The Bristol [...] West has enlisted Snoopy [...] promote its scheme: he is [...]sponsible for sending the sa[...] badges and Christmas ca[...] although how popular [...] scheme is remains a secret.

Less coy is the Chelten[...] and Gloucester which emp[...] Paddington to wave its flag. [...] writes to his 60,000 custom[...] twice a year and sends birth[...] cards and presents.

But he is clearly not [...] appealing as the Abbey Nat[...]al's Mickey Mouse, whose [...] on a badge has attracted 750[...] accounts with a twice ye[...] magazine to back him up.

The sty's the limit, as [...] West says, in the race to ca[...] customers as young as possi[...] in the belief that they [...] once ensnared by an ani[...] mascot or the prospect o[...] holiday, remain loyal for l[...]

The Investment Trust Table

The figures in the columns below are based on information supplied by the companies named: which are members of The Association of Investment Trust Companies. The figures are unaudited.

Columns (1)–(6): as at close of business on Monday 19th December 1983. Columns (7)–(11): as at 30th November 1983 (Geographical Spread: columns (7)–(10)).

Total Net Assets (1) £million	INVESTMENT POLICY Trust (2)	Management (3)	Share Price (4) pence	Yield (5) %	Net Asset Value (6) pence	UK (7) %	Nth. Amer. (8) %	Japan (9) %	Other (10) %	Gearing Factor (11) base=100	Total Return on N.A.V. over 5 years to 30.11.83 (12) base=100
	CAPITAL & INCOME GROWTH										
100	Aberdeen	Aberdeen Fund Managers	136	4.6	169	67	29	2	2	102	233
341	Alliance Trust	Independently managed	488	3.7	664	37	48	8	7	96	260
55	Anglo Scottish	C.S. Investments	138	2.7	151	46	46	2	6	93	273
76	Bankers	Touche, Remnant	135	4.2	184	58	28	9	5	108	272
172	Border & Southern	John Govett	116	3.9	171	44	25	22	9	101	229
58	British American & Gen.	Kleinwort Benson	84	4.4	106	48	41	7	4	99	228
246	British Investment	Independently managed	263	5.9	386	49	39	12	–	87	235
60	Brunner	Kleinwort Benson	61	4.3	79	44	41	5	10□	103	271
46	Cardinal	F & C Management	150	3.5	180	54	24	6	16	105	256
66	Charter Trust & Agency	Kleinwort Benson	60	4.7	82	52	35	9	4	101	253
103	Continental & Industrial	Schroder Wagg	412	5.3	588	54	44	–	2	103	257
139	Drayton Premier	Montagu Inv. Man.	290	5.4	439	54	29	15	2	96	194
367	Edinburgh Investment	Independently managed	96	3.7	122	45	40	8	7	100	305
98	First Scottish American	Independently managed	202	3.6	261	41	40	17	2	108	239
71	Fleming Universal	Robert Fleming	230	4.2	322	57	27	8	8	100	227
456	Foreign & Colonial	F & C Management	104	3.1	141	40	32	21	7	110	269
46	General Consolidated	Philip Hill	181	5.5	242	57	38	–	5	97	261
41	Glasgow Stockholders	Gartmore (Scotland)	135	2.7	165	41	49	2	8	107	267
525	Globe	Electra House Group	196	6.2	286	65	22	7	6	95	221
254	Philip Hill	Philip Hill	189	5.7	257	71	26	–	3	96	259
7	Jos Holdings	Kleinwort Benson	91	4.7	103	65	32	3	–	106	252
22	London & Lennox	Gartmore	96	3.0	116	34	53	7	6	102	278
58	London & Lomond	Gartmore	100	3.0	127	42	52	3	3	118	275
26	London & Strathclyde	Gartmore	137	2.5	161	47	45	2	6	114	306
35	Meldrum	Gartmore	143	3.8	173	69	31	–	–	103	337
66	Nineteen Twenty-Eight	Philip Hill	150	5.0	177	50	45	–	5	95	233
117	Northern American	Independently managed	220	3.5	294	40	42	16	2	108	247
78	Outwich	Baring Brothers	94	3.6	136	56	22	13	9	116	342
98	Raeburn	Lazard Brothers	240	4.9	347	52	33	10	5	94	232
62	River & Mercantile	Rivermoor	102	5.9	126	65	19	10	6	97	259
33	River Plate & General	Percy Tarbutt	162	5.3	212	68	18	1	13	101	239
347	Scottish Mortgage	Baillie, Gifford	281	3.2	374	33	38□	24□	5	102	286
162	Scottish National	Gartmore (Scotland)	172	3.2	230	49	39	6	6	108	259
117	Scottish Northern	Paull & Williamsons	106	4.1	150	61	32	3	4	110	224
113	Second Alliance	Independently managed	406	3.8	576	37	48	8	7	98	262
114	Securities Trust of Scotland	Martin Currie	87	5.0	125	54	34	10	2	114	222
374	TR Industrial & General	Touche, Remnant	118	3.8	165	42	23	26	9	104	247
288	Witan	Henderson	118	2.9	165	48	29	15	8	106	280
	United Kingdom										
6	City of Oxford	Hambros Bank	152	5.7	195	96	1	–	3	98	246
25	Fleming Claverhouse	Robert Fleming	180	5.5	253	99	1	–	–	99	276
21	New Court	N M Rothschild	308	6.4	399	97	1	1	1	102	235
4	Shires	Independently managed	170	9.9	179	98	–	–	2	77	165
80	TR City of London	Touche, Remnant	57	6.8	82	89	8	–	3	98	236
64	Temple Bar	Electra House Group	86	7.0	110	95	6	–	–	97	226
	CAPITAL GROWTH										
	General										
180	Anglo-American Securities	Morgan Grenfell	220	3.3	305	39	31	21	9	103	254
46	Ashdown	Schroder Wagg	318	3.1	436	51	33	9	7	90	255
148	Atlantic Assets	Ivory & Sime	92	0.5	120	33□	62	–	5	87	407
108	Edinburgh Amer. Assets	Ivory & Sime	190	0.6	226	13	77	6	4	108	330
54	Electric & General	Henderson	213	1.9	289	47	39	10	4	99	294
19	Greenfriar	Henderson	382	0.9	479	41	29	12	18	102	390
124	Merchants	Kleinwort Benson	77	4.5	104	46	39	9	6□	98	251
206	Scottish Eastern	Martin Currie	119	4.0	175	45	39	12	4	111	227
	International										
63	Berry	GT Management	284	1.0	311	38	30	15	17	129	353
54	Bishopsgate	Hambros Bank	140	3.6	197	52	37	8	3	111	251
89	English & New York	Kleinwort Benson	79	4.2	103	35	51	5	9	100	242
62	English & Scottish	Gartmore	115	2.5*	151	43	39	10	6	106	327
9	F & C Eurotrust	F & C Management	88	2.5	107	7	1	–	92	103	173
180	Fleming Overseas	Robert Fleming	274	3.6	361	19	38	27	16	90	243
21	Group Investors	C. S. Investments	217	2.2	273	43	46	9	2	100	352
104	Hambros	Hambros Bank	119	4.1	166	54	37	3	6	113	255
†	Investors Capital Trust	Independently managed	184	2.6	†	†	†	†	†	†	†
16	London & Gartmore	Gartmore	262	0.8	301	23	57	4	16	113	336
8	Mid Wynd International	Baillie, Gifford	120	2.1	137	12	36	31□	21	97	†
140	Monks	Baillie, Gifford	123	2.8	164	25	38	30	7	98	276
162	Murray Clydesdale	Murray Johnstone	71	2.8*	99	31	47□	17	5	99	239
41	Murray Glendevon	Murray Johnstone	231	1.9	299	34	28□	25□	13	107	245
63	Murray Northern	Murray Johnstone	129	2.2*	171	17	9	31□	43	113	235
178	Murray Western	Murray Johnstone	89	3.0*	126	26	51□	17	6	93	243
60	North Atlantic Securities	Morgan Grenfell	237	1.8	307	–	60	30	10	103	271
20	Northern Securities	GT Management	395	1.8	493	42	25	13	20	121	305
82	Romney	Lazard Brothers	197	3.2	274	29	38	22	11	99	254
268	Scottish Investment Trust	Independently managed	204	3.3	290	30	42	18	10	99	243
84	Trans-Oceanic	Schroder Wagg	139	2.9	180	40□	50	6	4	93	251
58	Tribune	Baring Brothers	165	3.0	228	32	43	15	10	91	285
156	U.S. Debenture Corp.	GT Management	162	5.7	210	49	35	11	5	111	210
	North America										
112	American	Edinburgh Fund Mgrs.	96	3.5*	131	26	74	–	–	97	251
105	Fleming American	Robert Fleming	390	1.6	495	11	88	–	1	90	239
16	Montagu Boston	Montagu Inv. Man.	101	1.8	113	14	86□	–	–	83	220
126	Stockholders	John Govett	208	2.6	281	18	77	1	4	103	226
70	TR North America	Touche, Remnant	159	2.9	196	7	93	–	–	109	268
	Far East										
20	Drayton Far Eastern	Montagu Inv. Man.	98	1.2	117	5	–	66	29	95	247
149	Fleming Far Eastern	Robert Fleming	257	0.8	286	8	–	72	25	100	273
133	Lake View	John Govett	227	2.7	287	24	5	45	26	105	237
6	New Australia	Edinburgh Fund Mgrs.	98	2.2	106	–	–	–	100	112	†
32	TR Australia	Touche, Remnant	186	2.8	222	12	–	–	88	103	254
91	TR Pacific Basin	Touche, Remnant	208	1.4	249	8	3	74	15	101	246
	Japan										
23	Baillie Gifford Japan	Baillie, Gifford	214	0.1	227	–	–	100	–	92	†
47	Crescent Japan	Edinburgh Fund Mgrs.	690	0.3	694	–	–	100	–	99	279
128	Drayton Japan	Montagu Inv. Man.	327	1.3	369	3	4	89	4	87	226
76	Fleming Japanese	Robert Fleming	420	0.8*	451	3	–	97	–	104	278
45	GT Japan	GT Management	689	1.1	675	13□	3	81	3	92	320
15	Japan Assets	Ivory & Sime	51	0.1	51	–	–	100	–	91	†
29	New Tokyo	Edinburgh Fund Mgrs.	287	0.0	293	–	–	100	–	95	†
	Commodities & Energy										
8●	City & Foreign	Montagu Inv. Man.	96	1.5	142	7	93	–	–	91	240
9	New Darien	Hodgson Martin	52	0.7	77	12	74	–	14	112	†
16	Precious Metals	J. Rothschild	97	0.8	135	9□	57	1	33	93	†
94	TR Natural Resources	Touche, Remnant	212	5.1	308	50	31	1	18	100	216
61	Viking Resources	Ivory & Sime	76	1.7	109	30□	68	–	2	111	292
13	Wemyss	Edinburgh Fund Mgrs.	459	8.2	590	39	31	–	30	89	195
23	Winterbottom Energy	Baillie, Gifford	56	1.7	67	6	91	–	3	106	172
	Technology										
70	Fleming Technology	Robert Fleming	131	2.3	178	41	38	19	2	96	278
88	Independent	Ivory & Sime	280	0.3	313	25□	68	–	7	88	†
245	TR Technology	Touche, Remnant	149	3.2	207	34	42	20	4	109	261
	INCOME GROWTH										
199	British Assets	Ivory & Sime	154	4.6	203	38	59	–	3	99	251
15	Lowland	Henderson	175	4.7	197	85	8	2	5	97	344
101	Murray Caledonian	Murray Johnstone	81	7.8*	102	69	11□	11□	9	95	249
	SMALLER COMPANIES										
51	Alliance Investment	F & C Management	73	3.1	95	56	25	14	5	107	286
29	English & International	Montagu Inv. Man.	190	4.5	251	57	30	7	6	100	226
9	Family	Kleinwort Benson	160	5.7	199	95	2	–	3	99	231
16	Fleming Fledgeling	Robert Fleming	97	3.3	126	75	20	4	1	100	350
29	General Scottish	Edinburgh Fund Mgrs.	115	3.9	142	52	35	12	1	97	289
25	General Stockholders	John Govett	223	2.7	330	29	63	4	4	98	221
20	London Atlantic	Investors in Industry	132	5.7	171	64	18	–	18	92	228
15	London Prudential	Kleinwort Benson	182	4.3	225	62	25	9	4	94	251
12	Moorgate	Philip Hill	212	6.3	245	93	3	–	4	97	276
12	North British Canadian	Investors in Industry	136	5.8	179	88	4	–	8	105	233
38	St Andrew	Martin Currie	251	3.8	331	54	33	9	4	98	239
182	Scottish American	Stewart Fund Managers	188	3.6	262	38	49	7	6	126	274
134	TR Trustees Corp.	Touche, Remnant	98	4.8	142	62	30	3	5	105	241
†	Throgmorton	Throgmorton Inv. Man.	169	5.5	†	†	†	†	†	†	†
	SPECIAL FEATURES										
46	Ailsa	J. Rothschild	69	3.8	90	36	36	18	8	97	†
122●	Drayton Consolidated	Montagu Inv. Man.	240	5.1	349	60	25	8	7	97	198
24●	Fleming Enterprise	Robert Fleming	172	6.0	239	100	–	–	–	95	256
220	Fleming Mercantile	Robert Fleming	92	4.3	[illegible]	45	33	9	13	101	262
14	GT Global Recovery	GT Management	92	5.4	115	35	37	15	10	114	†
61	General Investors	F & C Management	146	3.7	176	52	22	6	20	106	267
180●	London Trust	Rivermoor	73	7.3	104	64	24	–	12	105	182
359●	RIT and Northern	J. Rothschild	235	4.0	278	36□	37□	8□	19□	90	279
10	Stewart Enterprise	Stewart Fund Managers	34	1.7	52	33	45	13	9	120	†
67	TR Property	Touche, Remnant	114	3.5	146	74	13	3	10	104	218
	SPLIT CAPITAL (x)										
17	Altifund	Gartmore	355	0.2	449	93	2	3	2	114	313
2	Child Health Research	GT Management	255	–	321	43□	36	17	4	94	†
28	City & Commercial	Montagu Inv. Man.	403	–	621	90	4	5	1	123	†
23	Dualvest	Montagu Inv. Man.	721	–	928	90	9	1	–	122	†
22	Fundinvest	Montagu Inv. Man.	209	–	293	86	5	5	4	116	†
2	Marine Adventure Sailing	GT Management	169	–	218	47□	35	14	4	91	†
25	New Throgmorton (1983)	Throgmorton Inv. Man.	24	–	64	98	–	–	2	203	†
8	Rosedimond	Hambros Bank	206	–	205	100□	–	–	–	†	167
21	Save & Prosper Linked	Save & Prosper Group	151	–	335	100	–	–	–	135	201
17	Throgmorton Sec'd Growth	Throgmorton Inv. Man.	209	–	302	100	–	–	–	†	182
61	Triplevest	Montagu Inv. Man.	484	–	780	86	11	2	1	124	234

NOTES TO THE TABLE

† No data.
* Applies to Ordinary/"A" Ordinary only.
a Does not include special dividend.
□ More than one quarter in non-equity investments.
(x) Capital shares.
● More than 20% in securities or other assets included at director's valuation.
ac Adjusted for scrip issue.
ar Adjusted for rights issue.
(q) Published quarterly.

(a) Cols. 1, 4 to 6 *Figures supplied by* Wood Mackenzie & Co. members of The Stock Exchange. The figures in Cols 1&6 are simulated to date shown based on latest valuation supplied by the companies and made available to The Stock Exchange.

(b) Col. 11 *The gearing factor indicates* the percentage amount by which the net asset value per share would rise if the value of the equity assets increased by 100 per cent. Further explanation is given in the booklet 'More for your money.'

Additional explanatory notes are available on request from The Secretary, The Association of Investment Trust Companies, FREEPOST, London EC2B 7JJ. Tel: 01-588 5347.

INDICES OF FIVE YEAR TOTAL RETURN

+ Investment Trust Average	257
F.T.-Actuaries All Share	255
* Standard & Poors Composite	208
* Tokyo New Share Exchange	140
* Capital International World	180

+ Excludes split capital.
* Adjusted for exchange rate changes.

Home was where you made it

BY JUNE FIELD

[I]T HAS been a satisfying year [for] the residential property [mar]ket.

[Ra]in peaks and troughs, just a [mar]ket that has been reason[abl]y stable, steady and sensible. [An]d in a properly balanced [mar]ket — as most estate agents [and] developers, as well as [buy]ers and sellers would agree [—w]ho needs runaway prices?

[A]nd even with the hiccough [ove]r the availability of money [earl]y on, the building societies [man]aged to lend up until [Nov]ember some £15bn to [...],000 buyers.

[I]n the stately home league, [Lor]d Astor sold Hever Castle [to] a property company, God[mer]sham Park went to the Sun[...] family, and Lord Brownlow [gav]e Belton House to the nation.

[I]n the top-notch areas of [Cen]tral London—Mayfair, Bel[gra]via, Knightsbridge and Chel[sea] *et al*, foreign, particularly [Ea]stern, buyers continue to [sna]p up the expensive stuff, [eve]n buying whole blocks of [flat]s instead of just the top[-pla]ce penthouse.

"Buying in a rising market [me]ans that they can get the [ben]efit of several years' usage [wit]hout losing any of the value [of] the property, and probably [ma]ke a capital gain when it [com]es to selling," says Peter [Bl]anham of Pearsons' London [...] Grafton Street, W1.

[I]n the (relatively) bread and [bu]tter bracket outside London, [ne]w homes for first-time [bu]yers sold well up to £35,000, [and] sturdy older properties did [up] to £80,000—even those re[qu]iring considerable attention.

The Cinderella in this year's offerings are the out-of-town second-hand three-bedroom estate house with only one bathroom and well-used fitments, which is considered a poor relation to any newer neighbours in nearby complexes.

Much the same applied to old-fashioned leasehold mansion flats with shabby public parts, and very often an inadequate out-of-date heating system and lifts, whose constant repair bills contribute to already soaring maintenance and management charges. For a small two-bedroom apartment in Central London, the outgoings including rates are often as much as £2,000-plus for a small one-bedroom apartment.

A sharp lesson of 1983 was that bridging loans could become a frightening liability. "Landed with two homes, must sell one", has been a not unusual cry.

Sell your house first and bid from strength because a cash buyer is in an enviable "floating situation", insisted one agent who did just that with his own property, putting the furniture in store and renting a place until the right place was found. But even that was not an infallible solution. When just what is wanted materialises, the vendor is still putting off giving possession since the home *he* wants to move to is not yet available. A sort of reverse chain.

Most agents agreed that people appeared either to want to buy a brand new home with all the fresh equipment that goes with it, or opt for an older "character" freehold property that can be modernised to their own taste.

"Last year buyers were afraid to take on the traumas of renovation, but now there is a willingness to do it at all price levels, even in houses costing up to £200,000," admitted Weller Eggar with offices in West Sussex, Surrey and East Hampshire.

They also found that many families, who this year might have thought of moving to a larger home, have extended their present one instead. "This has saved them professional fees and removal expenses, as well as the uncertainties of finding what they want."

Now the firm prophesies steady growth, with an approximate 10 per cent increase in prices over the next year in their part of south-east England.

As always of course, an important point to bear in mind about all price projections is that any increases should be based on the actual price paid, not the asking figure.

Only last month the Royal Institution of Chartered Surveyors admitted that, nationally there had been a slight downward tilt in prices, with 13 per cent of agents reporting falls compared with 8 per cent earlier in the year. However in areas of high demand such as London and the South East, reports were being received of sellers ignoring agents' advice and testing the market at ridiculously high prices.

As Mark Boleat, deputy-secretary general of the Building Societies' Association said at the Incorporated Society of Valuers and Auctioneers' conference in the summer, house prices are a subject of intense public and political interest. "And perhaps for this reason, normal analytical tools are sometimes discarded in favour of wilder theories which happen to meet the prejudices of the moment."

Stephen Hardwick of Strutt and Parker's Lewes office, and Christopher Calcutt of their Canterbury office, appropriately summed up the whole question of what actually is "the market price" for properties.

● "It is really not right to talk about a market for houses in the sense that a market for cattle or for copper deals with the same article, although of varying quality. Houses cannot be analysed, assessed or valued on an objective basis.

● "Each house has its own special characteristics and features which will interest different people in different degrees and each place has to be marketed individually to ensure that its particular features are promoted to their best advantage."

Geoffrey van Cutsem, partner at Savills, views 1984 with considerable confidence, predicting a 12 per cent increase on average, while allowing that this figure will undoubtedly be subject to quite substantial regional variations.

● This means that in certain parts of the home counties, as well as central London, if the pound remains cheap against certain foreign currencies, the increase could rise to 15 per cent.

● But in the north of England prices are generally moving at a slower pace, especially in more remote rural locations where things have been patchy."

● However, houses with land close to business centres—such as York, Leeds and Harrogate—are in demand, and fetch big money; and over the border Savills' Edinburgh offices reflects the same pattern. It contends that it is the houses with access to Edinburgh, Glasgow and Aberdeen which will increase the fastest in price; while those in outlying country areas will only attract buyers as long as asking prices are pitched at a modest level.

Sitting-room with a view over the Kennet Valley in Old Theatre Place, Ramsbury near Marlborough, Wilts. The two bedroom, 300-year-old cottage was converted from the original theatre in the village, and is for sale on offers in excess of £45,000 through Peter Rapson, 19 High Street, Ramsbury (0672 20512). John German of Ramsbury, and A. W. Neate of Newbury.

Sports commentator Christopher Martin-Jenkins says he needs more space for his cricket-book collection, so has put his home Little Swains, Tismans Common, Rudgwick, West Sussex, up for sale on offers around £145,000. The 5 bedroom, 2 bathroom 17th century cottage is an acre with a hard tennis court. Details Philip Jordan, King & Chasemore, Carfax, Horsham, West Sussex (0403 64441) and Whiteheads, Carfax, Horsham (0403 60202).

West Indian delight

BY ARTHUR SANDLES

IT BEING winter the minds of those with both the time and the money tend to start thinking Caribbean. This year the British might be more welcome than usual. Our spies among the palm trees report that the Americans have been somewhat deterred by the goings on in Grenada and even by the recent election in Jamaica.

The Caribbean's popularity in the winter months is not entirely the result of clever marketing. The climate from Christmas Day till Easter is generally reliably warm and the sun dependably bright. The people are by and large friendly, certainly more friendly than they were in the gloomy 70s when newly-fledged nations were flexing their independent muscles.

The flying time from Europe and the northern U.S., the main tourist generating areas is acceptable and the accommodation and services of a very high standard.

In fact there are very few rivals. Egypt and Israel can offer the weather but, with the possible exception of Eilat, cannot provide the rum-punch, sun and sand combination that goes so well in the West Indies. The Canaries and Madeira lack the image, and the beaches, of the Caribbean. Africa's politics generally inhibit that continent's competition in the fun stakes, with only the Gambia really on the map for UK tourists wanting northern hemisphere sunshine.

The islands of the Caribbean are themselves not uniform. There are mountainous places, low lying places, big busy islands, like Jamaica and Cuba, or sleepy retreats like Anguilla and the Turks and Caicos. There are former British and Dutch islands and present French islands. There are colonies (the Americans don't call theirs "colonies" but that is what St Thomas and St Croix are) and independent nations. There are dictatorships, democracies and peoples' republics.

But most of all, there is rum.

Here is a quick gazeteer of the more popular West Indian destinations:

● **Barbados:** A small island with a big reputation. Among the friendliest of the islands, the most sophisticated and, unfortunately, not cheap. Superb beach hotels with the west coast the most popular, the east almost deserted (thanks to Atlantic rollers which often rule out swimming) and the north gently quiet. Lively night life and lots of activities.

● **Cuba:** Making another pitch for British custom this year, to the extent of opening a tourist office. Probably the cheapest Caribbean sunshine and perhaps the safest Caribbean streets. Plentiful sun, rum, sand and history. Short on night life—and some hotels full of rotund, and not over-friendly, eastern Europeans.

● **Dominican Republic:** The Caribbean's scenic wonder, with spectacular mountains and a very strong Spanish influence. It's a big country, with more than 5m inhabitants, which looks very much to the U.S.; so carry dollars. Very much the place for visitors who want to see something of the old Spanish Main but do not want the hassle of Haiti.

● **Cayman Islands:** Sleepy, prosperous, middle class. A little like Bermuda without the zip. Wonderful beaches and near total security. Night life is on the quiet side.

● **Jamaica:** Big, hustling, confusing, fun. A proud nation with a culture of its own. Dance to reggae under the stars, swig rum punches under the sunshine. Montego Bay and Ocho Rios for the fun set, Oracabessa and Port Antonio for gentle relaxation, Negril for long beaches and a hippy image. Very much an island with a mood of its own.

● **St Lucia:** Has an on-off relationship with tourists; sometimes friendly, sometimes not. *Remarkable* flora even for this area and superb scenery. Strong French influence. Only 100,000 inhabitants. Lots to see. Quiet at night.

● **Grenada:** You've seen it on television. Now see the real thing. The Americans have largely gone, leaving the Jamaicans largely in charge. Desperate to get back into the tourist scene again. A volcanic island not dissimilar to St Lucia or St Vincent in appearance, it has plenty of first class accommodation looking for custom at the moment. Bring back some nutmeg as a souvenir—it is the world's biggest supplier.

● **Trinidad and Tobago:** One country, so close and so different. Trinidad is not a tourist destination. Tobago, with *only 50,000 inhabitants* and a laid-back life-style certainly is. It's all a bit rustic and very Caribbean. If you want an island to live up to your dreams of the Caribbean, this is it.

● **Guadeloupe:** Really two islands in one with a bridge linking them. Quite large (*300,000* inhabitants) and firmly French. Lots of stately Creole houses. French cooking and West Indian beaches.

● **Martinique:** Densely populated French island which attracted its inhabitants thanks partly to an impressive fertility of soil and, given that there are so many of them, presumably the first settlers. Astonishingly colourful flora.

● **Puerto Rico:** Big, brash and very American. Some good beaches and excellent, American-style resort hotels. Lots of history and lots of good restaurants. At times lots of noise, too.

● **The American Virgins:** St Thomas is one of the most beautiful islands in the world. The view over the harbour is spectacular. Not much to do except eat, drink and play water sports—but who wants more. St Croix has more space but can be more troublesome at times of political stress. Fascinating place to study the old sugar plantation days.

● **The British Virgins:** A sleepy world of rental boats and tiny hotels. Definitely not for the diamond studded jet set, but very much the destination for anyone with nothing much more than a swim suit and several good books in their luggage. The perfect retreat.

● **Mustique and the Grenadines:** Quite apart from the "Royal" headlines, the in-place these days. Join a yacht and drift through the islands. It's all very simple, and very relaxing.

● **The Bahamas:** Not really the Caribbean but in most minds part of the West Indies. Nassau for the sophisticates, Grand Bahama for the day-trippers and one of the 700 out-islands for those who want a bit of peace and quiet. Easiest of countries to reach from Europe and the U.S., the Bahamas offer a huge breadth of different styles of holidays. They are strong on beaches, weak on mountains — the whole 700 scarcely boast a hillock. Superb swimming.

● **Antigua:** Extremely popular with the British the island makes a great play of its traditions, notably as headquarters of Nelson's Caribbean fleet. Strong on beaches, with one claimed for each day of the year. Recent rapid expansion of resort hotels and the presence of two casinos has enlivened the night life. Inland Antigua remains relatively unspoilt.

Bathsheba on the east coast of Barbados

هكذا من الأصل

Holiday Champagne Quiz

Today is the day we publish the How To Spend It Page's annual quiz. For the last month readers have been ringing in to ask which day it was to be published so as to make sure of not missing it and here, at last, it is.

As usual, we have tried to supply a mixture of brain-teasers—from those requiring general knowledge and a good memory to those taxing patience, logic or a flair for numbers. We hope we've got the mix right and that there is something here to appeal to most members of the family.

There is the whole of the holiday period to muse over the problems—as answers need not arrive in this office until the morning of Monday, January 9, 1984. Those who have tried the quiz before will have learned that it is best to work out the answers on rough paper and then use the gaps we have left on the page itself to send in the neat answers.

The quiz has been devised for us by Tough Puzzles, Honey Russell's new subscription only monthly magazine. Honey Russell would be happy to send a free sample of the magazine to any reader who likes the quiz and fancies the idea of a monthly mind-teaser. For a free copy of the magazine just send two 12½p stamps to B E A P, 106, Hammersmith Grove, London W6 7HB.

When you have filled in all your answers send the page itself in an envelope marked "Quiz" to: How To Spend It Page, Financial Times, Bracken House, 10, Cannon Street, London EC4 4BY.

We will be giving the usual prizes—a magnum of champagne to each of the first three readers whose correct or nearly correct entries are opened in this office on Monday, January 9, 1984. Answers and winners will be given in the issue of the following Saturday, January 14, 1984.

I hope you all have a lot of fun doing the quiz and a very Happy Christmas to you and all your families.

Literary Quiz

1—What is the connection between:

(a) the authors of Rip Van Winkle and White Fang?

(b) the author of The Garden Party and Sir Thomas Bertram's Park?

(c) Forster's Howard, Ford Madox Ford's parade and Beckett's game?

(d) Tennyson's seaman and Shakespeare's mother?

(e) Conrad's darkness, Scott's Midlothian and Greene's matter.

2—What is wrong with the following quotations?

(a) Water, water, everywhere. But not a drop to drink.

(b) He was the noblest Roman of them all.

(c) Music has charms to soothe a savage beast.

(d) Stands the Church clock at ten past three? And is there honey still for tea?

(e) I must go down to the seas again, to the lonely sea and the sky.

3—What sports are suggested by:

(a) the author of The Forsaken Merman?

(b) Dickens's fireplace?

4—In which books do the following families appear?

(a) The Joads.

(b) The March sisters.

(c) The Starkadders.

5—What type of family is composed of the following? Forester's African, Kipling's man and Wilde's happy boy.

6—Which is the odd one out in each of the following groups, and why?

(a) The Bostonians, Dubliners, The Europeans.

(b) C. Day-Lewis, C. S. Forester, C. S. Lewis.

(c) Villette, Clayhanger, Middlemarch.

(d) Crotchet Castle, Nightmare Abbey, Doubting Castle.

(e) Henry V, Henry VI, Henry VII.

7—Which "Lord" or "Lady" is suggested by each of the following?

(a) A fan.

(b) The mirror crack'd.

(c) Conrad's sailor.

(d) Constance.

(e) Excalibur.

(f) Stranded schoolboys.

(g) She should have died hereafter.

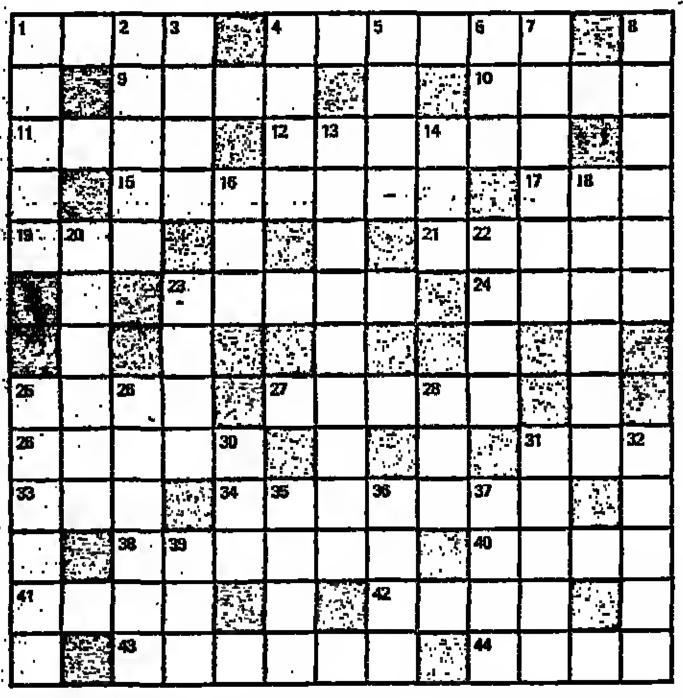
Tricky Quickies

1—As winter's icy grip slackens, the three icicles hanging outside my window begin to melt. Icicle A, which is 12 cms long, drips at a rate of one drip per minute; icicle B, which is 34 cms long, at one drip per 20 seconds. Icicle C is 20 cms long. For every 60 drips, the icicles shorten by one cm. If, at the moment that icicle C has completely dripped itself away, B is exactly twice as long as A, how often does icicle C drip?

2—Five people are standing in a row. My only sister is standing between her brother-in-law and his brother-in-law. My sister's husband, who is an only child, is standing next to his sister-in-law, who is standing two places away from my brother. Who is standing next to me?

3—The forester loaded his lorry with fir trees from his plantation and set off to deliver them to eight retailers in time for Christmas. At the first shop, he delivered one-eleventh of his trees; to the second, one-fifth of those remaining; to the third, one-eighth of those remaining; and 16 fir trees were unloaded at the fourth. One-quarter of those remaining on his lorry were delivered to the fifth shop; one-half of those remaining, to the next; one-third of those remaining, to the seventh; and the final 10 trees went to the eighth shop. How many fir trees did the forester have on his lorry to start with?

Addacross



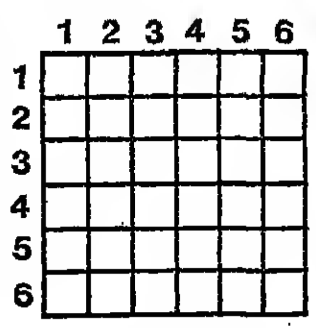
The letters given as each clue are part of the answer, and appear in the right order. You simply have to complete the word in each case. For example, the clue 'TR (4)' could lead to many answers, including TRAY, TRIP, TORN, TURK or STAR.

ACROSS
1 BA (4)
4 OLL (6)
9 LL (4)
10 AI (4)
11 IA (4)
12 AFC (6)
15 IPUT (7)
17 TH (3)
19 RY (3)
21 LLA (5)
23 RIG (5)
24 RN (4)
25 OK (4)
27 COW (5)
29 OSR (5)
31 ST (3)
33 EN (3)
34 DDMT (7)
38 CEE (6)
40 GY (4)
41 EW (4)
42 SO (4)
43 APD (6)
44 EP (4)

DOWN
1 LOW (5)
2 SDY (5)
3 SI (4)
4 CL (4)
5 IF (4)
6 AC (3)
7 RTT (6)
8 IFC (6)
13 FSLLD (9)
14 EL (3)
16 UP (3)
18 DLE (6)
20 POS (6)
22 ON (4)
23 AK (4)
25 HMG (6)
26 CDR (6)
28 OE (3)
30 OC (3)
31 TRP (5)
32 HME (5)
35 OP (4)
36 AD (4)
37 OS (4)
39 WE (3)

Figure it out

The digits 1-9 each appear four times in the grid, and no two squares which are adjacent horizontally or vertically contain the same digit. Every instance of a digit's occurring more than once in a row or column is mentioned in the clues.



ACROSS

1 A pair of 8s, which are the highest numbers; the sum of the digits is 38

2 A pair of 1s; the sum of the digits is 16

3 A pair of 1s; 9 is the highest number

4 A pair of 5s; the sum of the digits is 30

5 A pair of 7s and a pair of 8s; the sum of the digits is 45

6 A pair of 4's; the sum of the digits is 28

DOWN

1 A pair of 4s; the sum of the digits is 31

2 A pair of 6s; 8 is the highest number; the sum of the digits is 27

3 A pair of 7s; the sum of the digits is 25

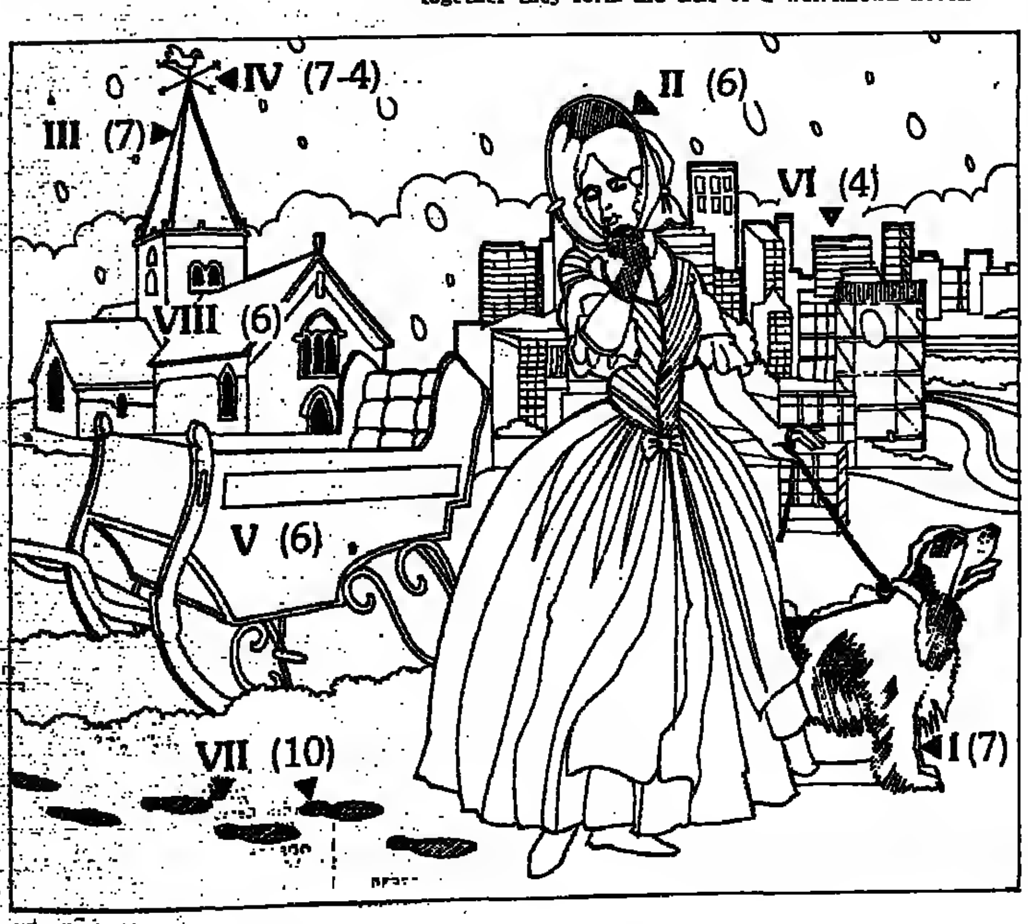
4 A pair of 5s; the sum of the digits is 32

5 There are no 9s; the third figure from the bottom is half the second figure from the bottom

6 A pair of 9s enclosing a 7; there are no 5s; the sum of the digits is 35.

Rebus

Identify the objects in the order indicated by the Roman numerals (the figures in brackets refer to the number of letters in each word or phrase). Maintaining this order, select from each word or phrase a group of either two or three consecutive letters, so that when the groups are run together they form the title of a well-known novel.



Quiz of the year

1c

3a

1 Ladies first

(a) Which woman was the first to receive the freedom of the Falkland Islands?

(b) Which post is now held by a woman for the first time?

(c) Why was Corbière's win in the Grand National a first for Jenny Pitman?

(d) Valentina Tereshkova was first in 1963, but Sally Ride was second in 1983—as what?

2c

2 Obituary

Many well-known figures died during the year; from the following clues, can you identify some of them?

(a) Brusque traitor

(b) Seasonal, QC

(c) Civilised peer

(d) Discreetly charming film director

(e) American state playwright

(f) Dad's sergeant

3 Changing bands

(a) What did Lord Astor sell for about £9m?

(b) Lazard Frères of New York were paid £1½m compensation — for the loss of whom?

(c) From which firm was £7m stolen in East London?

4 Problems, problems . . .

(a) Konrad Kujau wrote all 62 volumes, but who was claimed to be the author?

(b) Who was off work for seven years, having been dismissed because of union activities?

(c) Who was found at Belsize Park two weeks after he was supposedly found in Kensington?

4c

(d) Who finally agreed to pay over £½m rate arrears to Camden Council?

(e) What cost £1 billion in Yorkshire, but was put out of action by flooding after four weeks?

5 The long and the short

(a) Which sportsman retired in January at the age of 26?

(b) What began in Glasgow and ended in Hyde Park 43 days later?

(c) Who resigned on March 18, 49 days after his company began operating?

(d) Richard and Adrian Cook ran 2,100 miles in 101 days — where?

6b

6 Taking over. Whom did the following replace, and as what?

(a) Bernard Weatherill

(b) Robin Leigh-Pemberton

(c) Roy Hattersley

(d) David Bairstow

6d

7 In passing. The following names made the news during the year. Can you briefly say why?

(a) Melrose Avenue, Cricklewood

(b) Tonypandy

(c) Sakhalin Island

(d) Thrust II

(e) Benigno Aquino

8 Saved!

(a) Tadworth Court saved by a government grant — what is its function?

(b) Penrith was held by Conservatives in a by-election — who was the outgoing MP?

(c) Which organisation was saved by the reversal of a decision made by Dr Gerard Vaughan?

9 Repeat performances

(a) What was won, and by whom, at Helsinki, for the third successive year?

(b) Who won what in London for the eighth successive year?

(c) What happened in Jan van Gheyn III for the fourth time in 16 years?

(d) Who successfully arrived in unprecedented numbers in Liverpool?

10 Miscellanea

(a) Which company announced in February plans to close its works at Shildon, Co Durham?

(b) Why was no comment made for the nine weeks after June 1?

(c) Why did the outlook for Mrs Thatcher improve after August 5?

Christmas Puddings

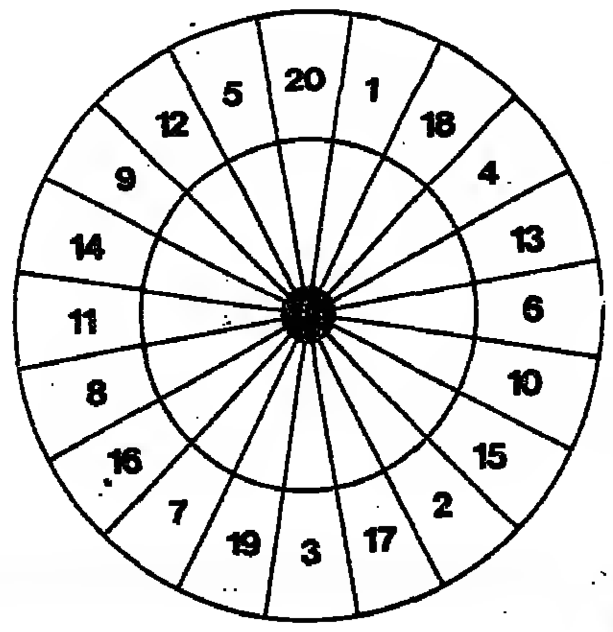
Lady Dow-Jones boosted production of Christmas puddings to five this year to cater for her large family and anticipated house guests. Lord Dow-Jones announced that he had (with untypical generosity) put a freshly-minted coin in every pudding and invited the children to guess what coin was in each one, telling them only that all five coins were different and reminding them that current denominations were ½p, 1p, 2p, 5p, 10p, 20p, 50p and £1. Here is what the children guessed (the puddings have been lettered for convenience):

	A	B	C	D	E
Joshua	50p	½p	20p	5p	2p
Jerome	£1	20p	1p	50p	5p
Jemima	1p	10p	5p	£1	½p
Jonquil	20p	£1	50p	½p	10p
Jasper	2p	1p	½p	10p	20p
Jasmine	½p	5p	£1	2p	50p

It is remarkable that every child guessed exactly three of the coin denominations correctly, yet no child succeeded in placing the correct coin in any pudding. Can you now say which coin was in each pudding?

Dartwords

Twenty letters of the alphabet (not D, F, L, M, V or Z) are each represented by one of the numbers on the dartboard. Reading clockwise round the board from the 20 at the top, the letters thus represented spell out five words (of three, three, five, five and four letters respectively). Eleven throws of three darts have been made, as shown below; the score for each word is the sum of the numbers representing its letters. Can you determine which letter is represented by each of the numbers on the dartboard?



Score

PEA=30 QUO=43 SHY=25
AXE=22 BUT=37 YAK=33
PUP=33 JAW=33 KIN=32
QUA=42 JOG=49

Record review

Turkish Delight and all that jazz

Since its inception in 1965 the National Youth Jazz Orchestra (then named the London Schools Jazz Orchestra) has produced not only some of the most prominent jazz musicians in Britain but also instrumentalists and singers who have established themselves outside the areas of jazz. Throughout these past 18 years NYJO, guided by its insatiably enthusiastic founder Bill Ashton, has shown off the high quality of youthful musicianship in this country to many audiences around the world—including the U.S., Australasia and Russia as well as Europe. An impressive record, a phrase which can be applied appropriately to the band's album recorded live in 1981 during its tour of Turkey.

Much of the music on *Playing Turkey* (NYJO, NYJ 003) was heard during the Channel 4 documentary on the visit shown last April. There are eight tracks of lively, modern but easily digestible music interpreted with the vivacity and skill associated with successive editions of NYJO where, necessarily, the turnover is comparatively high. The opening and closing tracks, "Istanbul Now" and "Turkish Delight," have felicitous local connections and are not just titles tagged on to nebulous writing.

In the first, written specially for the tour by experienced Scottish tenor-saxist Duncan Lamont, one readily appreciates the native music and atmosphere of the eastern Mediterranean, the flutes capturing the sounds oft-heard there, the dancing rhythms oozing things Turkish.

Cleo Laine: a decade of touring

The different time signatures in "Turkish Delight," based on a traditional national melody, are negotiated with aplomb by the NYJO line-up. Two of the band's most recent star soloists Jamie Talbot (soprano sax) and Mark Chandler (trumpet) contribute exciting solos here to end the album on an exultant, cheering note for which NYJO devotees will need no recommendation. Others, dithering, should mark well the generous playing time of over 53 minutes.

Composer / arranger / saxist John Dankworth has contributed to the NYJO repertoire and for some time had the many-talented NYJO alumnus Paul Hart in his small group accompanying Cleo Laine. Dankworth himself has spent much time in the last decade or so touring with his wife as well as in other musical activities and his forays into the jazz world have been isolated. So the arrival of a Dankworth quintet album is a real event. However *Gone Hitchin'* (Sepia RSR 2012) is nothing to get wildly excited about. It comprises eight charming compositions (six by JD, the other two by vibraphonist Bill Le Sage) which are played with expected expertise but with no great fire. The writing is cultured, neat and tidy.

Because he is heard so rarely in a purely jazz context it is refreshing to hear John Dankworth on clarinet and soprano-sax as well as alto. On the title track his soprano work evokes vivid pictures of the countryside and on clarinet he is in much the same mood, notably on the evocative "Silver Ray." In contrast the jaunty "Son of Sparky" invites reminiscence of that famed Magic Piano perhaps. For the rest there are some interesting tempo changes on "Triple Type" and "Lay Off" is interestingly constructed. Throughout, the work of all five musicians is exemplarly but that indefinable flair which makes an album truly memorable is absent.

This represents the 1983 Dankworth. Re-issued are reminders of what he was doing two decades ago when he had a full-time band. *What the Dickens!* (Sepia RSR 2010) and *The Zodiac Variations* (Sepia 2011) are two parts of what JD himself called a trilogy (*A Million-Dollar Collection* was the third section) and about which he commented some years ago: "I think I would be pleased to be judged on the strength of them by posterity."

Perhaps he does not hold that opinion now but it must be stated that hearing them again after a long interval makes one appreciate just how good they are and how well they have stood the test of passing years. *What the Dickens!* is a series of 'musical vignettes suggested by the works of Charles Dickens. The writing is its golden delight, pretty and witty and enhanced notably by the high quality of the band's playing as well as the guest soloists. The wit is no better illustrated than by the wah-wah trombone of the late Tony Russell in his demand: "Please Sir, I want Some More." Amazingly the five saxophonists who solo on "Dotheboys Hall" are still in the forefront of the British jazz scene 20 years on.

On *The Zodiac Variations* are some American guest soloists including Lucky Thompson, Phil Woods, Clark Terry and Zoot Sims whose contributions were pre-recorded in New York. Their presence and that of all other soloists was determined solely by the star they were born under. Certainly there is a contrived aspect to the work which is hard to accept from a listening viewpoint. For instance we have to believe that Libran Ronnie Ross depicts the hesitancy said to exist in Librans in his baritone-sax solo. I listened hard but remain unconvinced.

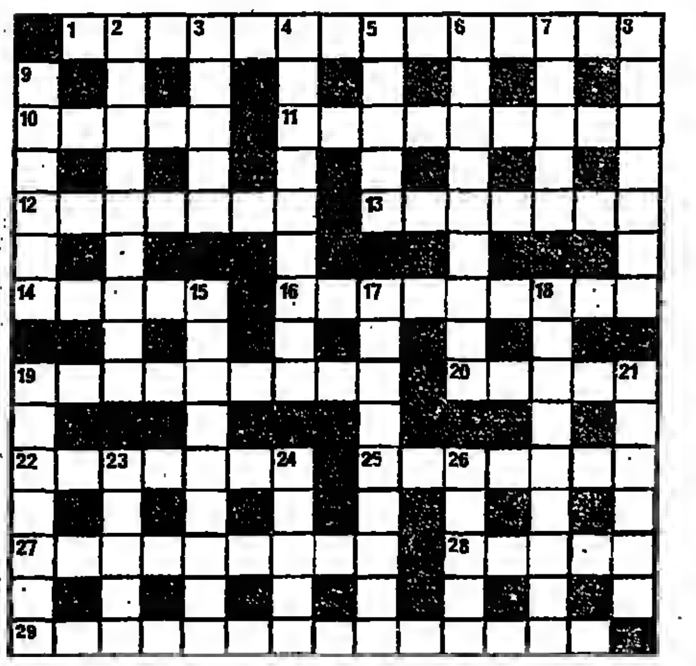
All the solos are inevitably concise which *can be a plus* and which is here. But really no individual has time to "star" in these "charts."

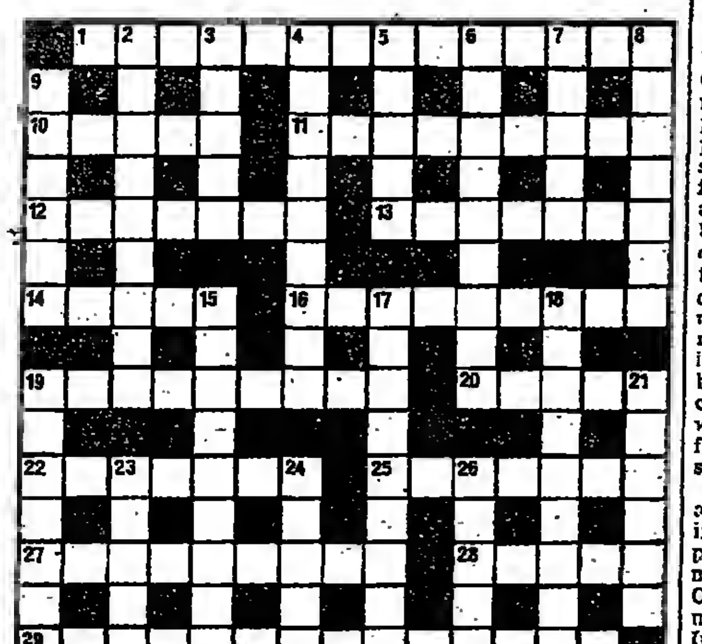
Of the recent issues from the enterprising *Elektra/Musician* label one to really search for is *Sprint* (96-0261-1) featuring the Red Rodney/Ira Sullivan quintet. The latter is barely known in this country but his multi-instrumental proficiency (he plays flute, alto and soprano sax and flugel-horn here) is legendary in the U.S. Trumpeter Rodney and he are an impressive pair in front of a youthful rhythm section of whom pianist Garry Dial is the outstanding talent—three of five titles on the LP are his. The music is neither dated nor avant-garde: simply five classy musicians playing honest jazz of the day which will not date.

Just space to mention that after re-issuing several of Slim Gaillard's old albums Hep Records organised his first recording date for over 20 years. The result, *Anytime, Anyplace—Anywhere!* (Hep 2020) brings some distinguished players such as tenorist Buddy Tate, pianist Jay McShann as well as Britain's Digby Fairweather on cornet to add lustre to what could have been an ordinary session. Slim sings most of the time, plays a little guitar and some piano but pervades the record with his jovial presence. *Truly a jazz character but not, in my view, a major jazz artist.* Slim's army of followers in Britain will disagree and it is they who should ensure the LP has a healthy sale.

KEVIN HENRIQUES

F.T. CHRISTMAS CROSSWORD PUZZLE





Apart from 1 across, which spans both grids, each clue is really two clues side by side but not overlapping. Solvers must discover which grid is to receive the answers. Either side can come first.

A prize of £25 will be given to the senders of the first five correct solutions opened. Solutions must be received by Thursday January 5, marked Christmas Crossword *in the top left hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given on Saturday January 7.*

Name ....

Address ....

....

ACROSS

1 Present decorative condition, moreover, of the institution of December 25th? (3, 3, 4, 4, 5, 3, 6)
10 Also-ran in close-run thing—Pitman on his face? (5:5)
11 Get protection from Peter Ward, not M. Ellis—that could be a heavy burden (9:9)
12 Not staying long on field, I take game against all the rules (7:7)
13 Anguish of fellows engulfed by civil wrong—far from ideal way of looking at things (7:7)
14 Booked burglar, Bill Morris for example, cruelly caned (5:5)
16 Light-o'-love to Edward Short satirically attacked in masonic circles one cannot drop off (9:9)
19 Tory drape unfurled—depicted as the German identical type, arm in pocket (9:9)
20 In the country of Peru, rallying, dense variety is there of necessity (5:5)
22 Revenue paid to Pope from a St Anne order—situation initially begun once as vespers for the dead (7:7)
25 Buttons on worker in colourful display, the clothes coming from E. Antrim (7:7)
27 Rattle, for instance, for one in coach-cab; din too terrible but one should pocket the litter (9:9)
28 Lowest point of Gehenna, dire place. "Greek King" 9-1 on in it? (5:5)
29 Creeper in knots possibly—snakestone?—low type, by the way, to deal with (10-4 : 6-8)

DOWN

2 Compartment without drawers? In tea-bars, oddly, one can be found (3-6 : 9)
3 Clumsy churl to pitch to one side; Bones, sailor, is capsizing (5:5)
4 Navy board ordering my trial after short notice—indolent midshipman departing (9 : 4-5)
5 Chest does not open at first attempt—oriental tale put over it creates striking effect (5:5)
6 Great lake could be over-riser—fish sold among chaos (9 : 3-6)
7 Theatre-in-the-round? Violin-maker has morning at one (5 : 5)
8 Like disease that is localised—given attention at hospital and feasted (7:7)
9 Gear-shifts for woman who has run off irregularly with sweetheart (6:6)
15 Handy calculator (slip-principle) for desk of French or Irish coterie, perhaps (5-4 : 9)
17 Dear motor breaks down—I slow down—fight with driver—such waste! (9 : 5-4)
18 Wearing no dress, sort of Scandinavian—an icicled sort of Scandinavian (9:9)
19 Carefully draws big work (with standard raised outside)—Irish landscape that could end up in fireplace (7 : 4-3)
21 Tedious speech about saintly being topless could be send-up about topless wailers (6:6)
23 I remove bristles from some grass (there is some lawn erosion)—difficulty at Wimbledon for some nine players. . . . (5:5)
24 . . . the group now one short—fearful row between best or middling players (5:5)
26 Race-girl, sixth in decathlon, is one beyond hope of recovery. Left-right! (5:5)

Goodness knows what makes the hitherto innocent child first harbour thoughts of becoming a film critic. But in my case Cecil B De Mille's *The Ten Commandments* must be a prime culprit. At the *time of first* viewing it—year 1956, age 9—I had never seen an epic quite like it. And I *still* haven't seen any epic like it. A thundering story, an all-star cast, sets which beggar belief and special effects which even today, when we turn a blasé eye on barnstorming

VIDEO

NIGEL ANDREWS

An epic talent

space trips into outer galaxies, quicken the pulse and burgle the breath.

CIC have now put the film's 219 minutes on cassette. Two cassettes, to be precise; and even this feat of packaging involves the excision of De Mille's endearing front-of-curtain introduction, when if you recall the baldpated gnome waxed wonderstruck about antique times and the Bible's eternal truths.

I doubt if De Mille would recognise an eternal truth if he fell over one. But that should not concern us. He is only an eye, as Cezanne said of Monet, "mais Mon Dieu quel oeil." Anyone who thinks *The Ten Commandments* is merely a vulgarian's Bacchanal should pause to marvel at the dazzling harmonies of colour, the prodigiously surefooted narrative (try to be bored—you won't succeed for a moment) and the playful time De Mille has swinging between intimacy and grandeur.

There are scenes that make one understand why a director like Martin Scorsese reckons De Mille to have been (on his day) some kind of genius. The early shot of slaves striving across a skyline with pulley-ropes is astounding: a tangerine sky and ferocious, vivid diagonals. The parting of the Red Sea still takes the breath away, the floods dividing like two seething walls of giant's hair. And the scenes on and around Mount Sinai have a real painterly splendour. Not just size and gaudiness, but a bold harmonic certainty of gesture, dimension and colour that puts the movie's best moments closer to Titian than to the soggy visual over-reachings of *Ben-Hur* or *The Greatest Story Ever Told*.

The human end of affairs is entrusted to a cast including Charlton Heston, Yul Brynner, Yvonne De Carlo and uncle Cedric Hardwicke and all. Period plausibility is not always at a premium in the performances. "Oh *Moh-ses*" breathes lovelorn Miss Baxter as Nefretiri, in much the same tones as she might say, "Oh *Harry* . . . ." But Heston and Brynner are in commanding form throughout, as prophet and Pharaoh, and two of the best snarlers in the business—Price and Robinson—snarl away as supporting villains.

I say again that video viewing cannot replace seeing a film like this on the big screen. But it may be many years before that chance comes round again. Accept the snack while still dreaming of the full meal.

Not the least favoured group in today's video market are children. Over 400 titles for younger and older tots are now available, including four versions of *Treasure Island*, three of *Gulliver's Travels* and two each of many other classic stories.

Animation ranks high, and it's one of the few movie arts not damaged by transfer to video. I can fervently recommend Longman Video's *Princes and Princesses*, a quintet of ravishingly beautiful medium-length animation films from countries including Spain, Hungary and Czechoslovakia. If you want to see how a videotape can sparkle and gleam—no fuzzy texture here or wobbly colouring—gaze at *this* for quality.

Four *Mr Men* cassettes (Warner Home Video) furnish forth the 10-year-old TV adventures of such cartoon favourites as Mr Silly, Mr Daydream, Mr Tickle and Mr Forgetful. *Here Comes The Grump* (Guild Home Video) yields the more resistible adventures of a dragon-riding grouch righting wrongs in the kingdom of King Bloony-Woony, a balloon. But very welcome are *King Rollo* and his cat Hamlet, tripping the light fantastic in two cassettes from Longman.

A merry Christmas and a happy new video year.

Though I've written about them often enough, I must begin with a reference to the two sets of Sunday morning phone-ins about the future of broadcasting. There was Richard Francis's stimulating pamphlet *BBC Radio for the Nineties* to set the listeners off; the points it made that really stung the listeners were the suggestion that Radio 4 would be likely to devote more time to news and current affairs and the proposal to provide common programmes for all the BBC local stations in the hours not devoted to local matters.

For some reason, people seemed to conclude that more news meant less drama, though

RADIO

B. A. YOUNG

Class conflict

it might just as well have meant less *Start the Week* or less *Baker's Dozen* or less *Just a Minute*. Reaction to the reprogramming of local stations suggested to listeners that they were all going to hear something like Radio 4's *Today* all day. Well, none of it has happened yet.

At least . . . . The arrival of a new Director of Radio 4 was signalled by two 90-minute current affairs of programmes in the morning, one on the deployment of Cruise missiles and one on the new Police Bill. And next year, if I may pre-empt space for 12 months on, we shall be hearing three-hour morning programmes that switch from subject to subject without pause, "roller-coasters," as they call them in Broadcasting House for some reason.

Back to this year, then. I approved of both of those 90-minute mornings, though I felt they needed a strong anchorman, someone like Michael Charlton or Sir Robin Day. Both programmes contained a phone-in element, a feature on which I expressed my sentiments only a few days ago. When they had a *Broadcasting Tomorrow* type programme on Radio I (much the most stimulating of the lot, incidentally), there was a great demand for "community access" and even for something called "interactive" broadcasting. I can't help feeling that anything of this nature on a national channel would simply become a rent-a-mike political display. On local stations, not a bad idea, perhaps; though how is one to prevent it becoming as frivolous as CB has become? Inter-active reaction: why *should* we prevent it? Well, each to his taste.

Of the various drama slots, I've got the most pleasure from Radio 4's Monday Plays, which commonly regard pleasure as only one of ends in view. The year began with an adaptation of *Confessions of a Justified Sinner* by James Hogg, one of my favourite books of all time. A month later we had Raymond Briggs's own version of his own cartoon book *When the Wind Blows*, mocking the official instructions for surviving a nuclear bomb; and the following week, illustrating the variety available in this slot, came Ostrovsky's *Easy Money*, a comedy about life among the smart set in 1870 Moscow, a blend of Pinero and Dostoevsky. Other pieces I remember from Monday evenings are Tim Rose-Price's *The Fine Tuning of Ivor Gurney*, surveying that composer-poet after his mind was gone; *Dear Countess*, a reconstruction by Elizabeth Morgan of the Ruskin-Effie Gray-Millais triangle; David Caute's *The Zimbabwe Tapes*, a somewhat artificial look at white man's life in Rhodesia enlivened by the tapes made (not originally as part of the play) by Africans involved in that life. Howard Brenton's *Thirteenth Night*, a Macbeth-like play taking place in a revolutionary England in the near future, was exciting and amusing at once.

Radio 4 also gave us Four Classic Comedies in stylish casting, a good *Importance of Being Earnest* and a better *She Stoops to Conquer* and two others I didn't hear. And there have been the classic serials, including a delightful *Emma*, a repeat of *The Moonstone*, Mrs Gaskell's *Wives and Daughters*. Afternoon Theatre gives us the equivalent of the old magazine story, something much needed in our leisure since magazine stories of any quality disappeared with the magazines. Stephen Fagan's *Under the Hammer*, about politics in the art galleries, would be well up among my recommendations for prizes if there were any prizes for radio left. Maurice Packham's *A Royal Forour* was among several pieces that made me think of Kipling's semi-historical stories for children that I was brought up on. This was about builders in the reign of Henry IV.

Kandinsky and de Kooning/New York

The theorist and the ingenue

One painter was born in Czarist Russia in 1866; the other in Rotterdam in 1904. Both end up with major retrospectives in New York museums at the end of 1983. There is little else that Vasily Kandinsky and Willem de Kooning seem to have in common. But that perhaps is the point.

The two artists moved in opposite directions, Kandinsky to Munich and back to Russia while de Kooning came at an impressionable age to the U.S. Kandinsky a generation older, was infected with the Russian Revolution. Part of the generous Guggenheim exhibit, which has more than 300 works from the period 1915 to 1933 includes paintings by the Russian Constructivists. Their attention to forms with no anthropomorphic aspect obviously influenced Kandinsky, who spent a good deal of time making canvases that combined a somewhat decomposed figure in one corner tilting with shapes on the rest of the canvas. Sometimes it is an intricate pattern that can be called a path by the time it curls its way toward the centre where a *half-concealed* human form looks lost in the expansive universe.

"In the Black Square" by Kandinsky

Kandinsky never felt comfortable with the Constructivists, in spite of his effort to participate in the revolutionary movements as part of the Peoples Commissariat of Enlightenment and his founding of the Institute of Artistic Culture in Moscow in 1920. When the Constructivists took over the Institute and Kandinsky was dismissed as "romantic, literary and illogical" by the influential critic Nikolai Punin, he was ready to accept the invitation to return to Germany made by the Bauhaus, ironically at a time when Constructivism was having an influence there.

Kandinsky threw himself into his own theories and experiments that encompassed colour as well as geometric forms. His more rigorous work, which fails to include the odd free form with the regular shapes reflects the definite ideas he instilled in his students, the dominant triangle representing aggression, the square calm and the circle depth. Neither were his experiments with colour the dabbing of a few shades on the canvas, but rather definite shapes in primary colours that already showed the influence of Constructivism on the Bauhaus when Kandinsky arrived in Weimar in 1921.

If he was less austere than the Russians, he needed the inspiration of Paul Klee in Munich to mediate pure shapes and sacred points to be playful as well as *structured and pure*.

By 1933 the end of the period in the present exhibit, Kandinsky had designed the set for Oskar Schlemmer's theatrical product of Mussorgsky's Pictures at an Exhibition and painted the wall of the Bauhaus music room to show the practical side of a career that had looked for essences in form and colour out of which rules could be made for artists to abide by. Kandinsky had designed random-pattern teacups and saucers as early as 1921 in Russia, but the Bauhaus years, during which the artist was master of the Wall-Painting shop, allowed for a peculiar kind of usefulness that shared with Constructivism a pedagogical restraint meant to be useful by elevating decoration to a higher level of taste.

Far from being an artist intending to teach the world, de Kooning arrived in America as the ingenue, a 1926 immigrant who had been a stowaway in a ship's hold. Established in a studio in New York the following year, he participated in the WPA Federal Art Project during the Depression until he was thrown out for not being an American citizen. During the war he painted a stunning series of portraits. Most of them were of women who are exactly but sparingly drawn over the permeating colour of the canvas, usually some delectable shade of pink, purple or orange.

After the war de Kooning led the emerging abstract movement that would make a number of careers along with his. Associated with Pollock and Kline in abstract expressionism, they wanted paintings to move, compared to Mark Rothko and Barnett Newman who aimed at controlling the canvas by reduction.

The value of such a lavish retrospective, which includes 250 of de Koonings paintings, sculptures and drawings and will travel to the Akademie der Kunste in Berlin and the Pompidou Centre in Paris after it closes in New York in February, is in showing the sheer facility de Kooning had in pursuing more than one style, sometimes at the same time. While the dabbing sort of Pollock abstraction characterised his painting, he was drawing cartoon-like women, recognisable for the attention paid to their most distinctive sexual features. However little the two styles had in common, both extirpated the legacy of the lovely wartime women with their serene countenances smoothly integrated into their surroundings.

De Kooning became an important figure in the post-war period, especially after Huntington Hartford published an open letter in 1955 called "The Public be Damned?" condemning abstract artists and de Kooning in particular. In 1965, he had his first major retrospective at Smith College, followed by shows at Knoedler Galleries on two continents.

Abstract works continue along with portraits of women though women seem increasingly influenced by abstraction (though not the other way round). The earlier cartoon characters emphasising legs, eyes and breasts have been reduced to just breasts on large canvases that might just as easily have been a series on Himalayan mountains.

A small corner of sculpture makes a curious and temporary departure for the artist. A couple of dozen figures large and small half emerge from their elongated bronze flotsam forms, the early influence no doubt of moving from New York City to the high-fashioned beachfront of Long Island.

Recent abstract work show a domesticated de Kooning, with waves of light colour neatly encapsuled by borders that follow a pleasing but restrained pattern across the canvas. As though a mighty torrent has been channelled, the work is probably a good reflection of the times, where a recognisable trademark obscures self-imitation to establish originality.

Clark Poling, who curated the Kandinsky show, and Paul Cummings and Jorn Merkert, who did the de Kooning exhibit, follow the exacting demands of homage cum retrospective, with a profusion of works in as many media as possible. The biographical element is particularly emphasised for Kandinsky, with photos of the Bauhaus group and other projects that formed the milieu in which he worked.

For de Kooning, the exhaustive retrospective projects sameness even in two genres being worked simultaneously, while Kandinsky seems anxious for challenges and hurdles to provide more rules to which his work must conform. The two artists went off in different directions and for all their originality, seem very much reflections of the places in which they ended up.

FRANK LIPSIUS

CHESS SOLUTIONS

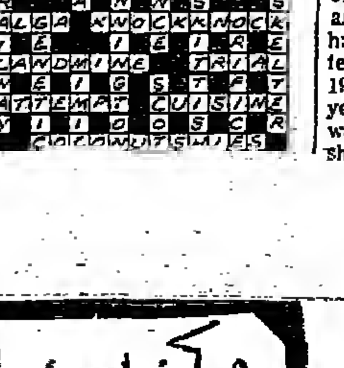
Solution to Position No. 495

1 B-B4? R-B8! wins since if 2 RxP, R-B8 mate. After 2 RxB, RxR Black soon won on material in Kaplan-Karpov, Madrid 1973.

Solution to Problem No. 495

Put the WK on White's KB3, BK on Black KR8, then 1 KxQ mates.

SOLUTION TO PUZZLE No. 5,301



A charter for schoolboys

BY JANET MARSH

CHRISTMAS IS not what it was; but then, perhaps it never has been.

One of the more attractive aspects of the commercial Christmas was the Christmas numbers of popular magazines. Time was when every publication, from *Meccono Magazine* to *Poultry World*, would burgeon with holly leaves, while the *Radio Times* Christmas covers were, quite literally, works of art. The Christmas numbers were designed to step np sales at a time when readers might otherwise be distracted by seasonal entertainments. Their decline is a sign of onr recent times, and of the hopelessness of trying to compete with the long days of pre-packaged festivity offered by television.

Not that Christmas numbers have entirely disappeared even now. It is cheering, for example, to see the *Illustrated London News* still persisting, with articles on "Christmaa in London," "Winter Landscapes" and "The Real Dick Whittington," and a cover with holly wreath, Christmas tree and a wide-eyed child in pyjamas hugging a teddy bear.

Like so many innovations in 19th century publishing, the Christmas number was invented by the *Illustrated London News*, which started publication in 1842. It thus coincided with the years which saw the fabrication, thanks largaly to Charles Dickens and Prince Albert of the "traditional" English Christmas. The first separata Christmaa number did not apear till tha end of the decade, but even at its first Christmas the *Illustrated London News* stressed seasonal features—pictures of the pantomimes and the words and music of a new song called "Jolly, Holly Christmas."

The following year the book reviewer was ecstatic about a new publication of "surpassing beauty . . . with its *spirituel* yet surpassing truths—its impressive eloqnence; its unfeigned lightness of heart—its playful and sparkling humour, its undercurrents of thought—its gems of world knowledge, its gentle spirit of humanity—all which light up every page, and, of a truth, put us in good humour with ourselves, with each other, with the season, and with the author." The book waa, of course, *A Christmas Carol*. After that, Christmas never looked back.

The first true Christmas Supplement to the *Illustrated London News* appeared in 1848 and set the tone for the next century. A leading article on "Christmas Morality" noted complacently that "The palace and the ball rejoice and the workhouse sbares the universal feasting of the occasion." There were all the articles that were to remain the stock-in-trade of Christmas numbers: on Carols, Plum Pudding, Presents, Christmaa Streets and Christmas Treats, Charity to the Deserving Poor.

A charming whole-page illustration sbowed the Royal *Family at Windsor Castle*, standing around the Christmas Tree—a novelty introduced from Germany by the Prince Consort. "The tree employed for this festive purpose is a young fir about eight feet higb . . . . On each tier, or branch, are arranged a dozen wax tapers. Pendant from the branches are elegant trays, baskets, *bonbonnières* and other receptacles for sweetmeats, of tha most varied and expensive kind; and of all forms, colours and degrees of beauty. Fancy cakes, gilt gingerbread and eggs filled with sweetmeats, are also suspended by variously coloured ribbons from the branches. The tree, which stands upon a table covered with white damask, is supported at the root by piles of sweets of a larger kind, and by toys and dolls of all descriptions, suited to the youthful fancy, and to the several ages of the interesting scions of Royalty for whose gratification they are displayed. The name of each recipient is affixed to the doll, bonbon or other present intended for it, so that no difference of opinion . . . may arise to disturb the equanimity of the illustrious juveniles."

Subsequent Christmas numbers would comment on another new but growing custom, that of exchanging pictorial greetings cards.

A Christmas carol: a drawing by Phiz

The timing of this first Christmas Supplement was significant. No doubt the public wanted the reassurance of Christmas comfort and charity in a year whicb had witnessed revolution in Europe and Chartist agitation at home. The comic pages made light of the trouhles of the day; and there ia an odd familiarity about a jocular "Charter for Schoolboys" which concludes:

"Sixth, a Red Republic in the *Schoolroom*, with leave to erect barricades with forms, stools, desks and the fender, whenever oppression may call for sucb demonstrations."

Still in the forefront of publishing, in 1855 the *Illustrnted London News* Cbristmas Supplement bloomed in full colour, with fine Leighton prints of the Herald Angels, the Boar's Head, Christmas Waits and a self-satisfied bourgeois family returning from morning Church to their Christmas Turkey. After this, colour was obligatory: a Christmas number without at least a tonch of red and green for the holly could hardly merit the name.

The style and tone of the Chriatmas numbers did not greatly cbange over the next century. The 1880s, it is true, had a gloomier outlook and the Christmas numbers tended to temper the jollity with horrific story-pictures bearing titles like "Lost in the Snow!" The 20th century fan magazines, too, introduced their own style, with features about how the stars would spend Christmas Day (generally in boring domestic quiet, it seemed) and flights of scatty rapture, like *Radio Pictorial* in 1937: "The Season of Parties is here, bringing with it a Golden Train of Dances and Dreams, New Faces, New Frocks, Excitement, Opportunity and Romance." If that's bow Christmas was, things are certainly not what they were.

As Miss Jekyll, the great gardener, once said: "Forgive us our Christmases as we forgive them wbo Christmas against us."

BRIDGE

E. P. C. COTTER

CHRISTMAS greetings and a peaceful New Year to all my readers. My offering today consists of two hands from rubber bridge, which we might file under the heading Too *Quick on the Draw*. The first was dealt by West with North-South vulnerable:

N
♠K 7 5
♡Q 9 2
♢J 9 7 3 2
♣Q 5

W
♠A J 10 6 2
♡6 4
♢10
♣K 8 6 3 2

E
♠8 4 3
♡8 7 3
♢K Q 8
♣10 9 7 4

S
♠Q 9
♡A K J 10 5
♢A 6 5 4
♣A J

After three passes South bid one heart, West came in with one spade, North raised to two hearts, and South said four bearts.

When West led the ten of diamonds, South automatically covered with the Knave on the table. East produced the Queen, and the Ace won. Drawing the trumps in three rounds, the declarer played a diamond to tbe nine. East won with the King, and returned for four of clnbs. South finessed the Knave—it was his only chance—but West won, and the contract was doomed.

Let us replay the band together. When we see the Knave and nine of diamonds on the table, it is very tempting to cover West's ten with the Knave, but this temptation must be resisted,° and we allow the opening lead to hold.

West switches to a trump (hia best return) and we draw three rounds. Now we cash our diamond Ace and continue with the five. The duck at trick one has gained a vital tempo, for now the diamond suit is established. When East returns a club, we win with the Ace, cross to the diamond Knave, discard our losing Knave of clubs on the nine, and claim the contract, conceding a spade. We lose just two diamonds and a spade. It is really a simple hand, an avoidance play, designed to keep East from obtaining the lead before we are ready to cope with it.

South dealt the second band at game all:

N
♠K 8 2
♡3
♢K 5 4
♣A K 8 7 6 5

W
♠Q 6
♡A Q J 7 5
♢10 9 7 3
♣Q J

E
♠J 10 9 5 4
♡K 10 6
♢2
♣10 9 4 3

S
♠A 7 3
♡9 8 4 2
♢A Q J 8 6
♣2

Sonth bid one diamond, West said one heart, North said two clubs, and after a pass from East Sonth had to rebid two diamonds. North now jumped to five diamonds, and this concluded the auction.

West led the club Queen, South won with dummy's King, returned the five, and ruffed in hand. He proceeded to draw trumps, slightly upset to find West with four. He was even more upset *when he crossed* to the spade King and cashed the Ace of clubs to find East with the guarded ten. All control was lost, and the contract went two down.

No marks for South—he could have done much better. As the percentage break in clubs is 4-2, he should allow West's opening lead to bold. This corrects the timing, retains control, and destroys the defence. There is nothing West can do. If he continues with the club Knave, South ruffs, draws the trumps, crosses to tbe apade King, and runs the club winners. A diamond return is won with dummy's King, a club is ruffed, and the same position is reacbed.

Incidentally, I do not think much of West's lead—why help to set up dummy's suit? The other black Queen would have given the declarer a headache.

Where the punters go for Christmas: **Dominic Wigan** report

A Kempton lad

AFTER THE turkey, the young, and old, man's fancy often turns to horses. The holiday period has always appealed to the racegoer hell-bent on either ditching the family or at least thinning them out and this year's festival again provides plenty of opportunities.

Boxing Day sees eight race meetings scheduled up and down the country and that day's fare is immediately followed by another busy spell culminating in January 2's glut of fixtures.

Traditionally the high spot for the most jaded of appetites is Kempton's Boxing Day card, which invariably sees a huge crowd pouring through the turnstiles to see the country's tops chasers in action. Their pre-Cheltenham confrontation in the Sunbury course's King George VI Chase invariably produces the required drama and, more often than not, some spectacular falls.

It was in this race four years ago that the ever-popular Night Nurse blundered away a winning chance in a spectacular fall at the last fence which probably cost him victory over Silver Buck.

A few years earlier the great Arkle's career ended in the Kempton showpiece as he broke down, leaving the way clear for Jeff King on a 10-1 chance, Dormant.

This year's King George VI Chase looks as tricky as ever with Michael Dickinson set to saddle not only last spring's Gold Cup hero, Bregawn, but also The Mighty Mac and the market leader, Wayward Lad, favourite for both this race and the Cheltenham Gold Cup the strength of last mon victory over Fifty Dollars M

There, Wayward Lad, w had pipped Fred Winte chaser in last year's Ki George VI Chase, again p vailed, but by only inches stead of the two lengths whi had separated them 11 mon earlier.

Jumping proved the key the Huntingdon result. Se oo four fences from home Robert Earnshaw, Wayward L proved far quicker at fences than Fifty Dollars M and that factor always look like giving him the edge desp the persistence of his southe rival.

1979—a bad day for Night Nurse

The first and second, wl met there at level weights, r new rivalry on identical tern on Monday when it is general felt that an additional hal mile will be in Wayward Lad favour. He is the selection.

In Kempton's other bi Boxing Day event, the La broke Christmas Hurdle, a eyes will be on Gaye Brief, th 1983 Champion Hurdler.

Gaye Brief has, according t one or two well-informe gamblers, been under som thing of a cloud recently, an I shall not be surprised to se him finish behind both Daw Run and Wollow Will.

Boxing Day selections
KEMPTON

12.40 Visconti
1.40 Dawn Run if absent Wollow Will
2.15 Wayward Lad
3.15 Tracys Special if absent Broadheath

The year of so many highlights

MOTORING

STUART MARSHALL

WHAT A year it has been. New models have poured from the factories of Europe and Japan in a never ending stream. UK registrations have scaled new heights.

Discounting has again made a nonsense of list prices, reduced the attractions of personal importation from mainland Europe and knocked the value of used cars. And British Leyland came up with a car as competitive in the middle-size class as the Metro was lower down.

There have been so many highlights of my motoring year that I find it difficult to itemise them. But, to look at high performance cars first, the three that impressed me most were all German.

The Audi 200 Turbo (due to make a delayed appearance here any day now) cruised on the autobahn at 120 mph, exceeded 140 mph easily and has a 30 mpg potential for those of feather-foot and iron control.

Tbe BMW Alpina B9 — a modified 7-Series engine dropped into a 5-Serias body shell — wes so fast, roomy and tractable that it really made a cramped, overpriced super car seem absurd.

And the Porsche 911 cabriolet was superb. I'll never forget the heatwave week I spent with one, hood permanently down.

At the other extreme, there was a constant succession of small, modestly priced family cars, starting with the Fiat Uno and Peugeot 205. One or other of these hatchbacks seems likely to be chosen Car of the Year — I will have the results next week.

They provide the comfort, space and performance for which one had to buy larger, dearer cars a year or two ago.

Uno is more aerodynamic, the 205 prettier.

Another outstanding small car to come my way was the Nissan Datsun Micra. It is not quite so good a space package as the Metro, but the engine is a little jewel and the 5-speed gearbox a delight.

The Japanese are showing everyone the way to make five-speeders work in small, cheap cars but they have something to learn about rear suspensions, for which Europe's manufacturers are doubtless thankful.

Perhaps continuously variable transmission will oust the manual gearbox altogether, in small to medium cars at any rate, in a few years time. The Fiat Unomatic, CVC equipped, bad mannal gearbox economy and liveliness, an automatic's ease of driving in town. Production starts soon.

The tall, thin estate car arrived from Japan during the year. The Nissan Datsun Prairie impressed me as mucb as any car I have driven in 1983 for its sheer commonsense. It has a small car's engine, overall dimensions and economy, a very large estate car's carrying capacity.

The passenger doors alide, the load floor is low enough for ageing dogs to step on to, the roof high enough (and the steering wheel small enough) to let the tallest drivers sit comfortably. Others like the Prairie in philosopby are tba Toyota Space Cruiser and Tercel 4x4 Estate, the soon-to-arrive Honda Civic Shuttle and Mitsubishi Space-wagon.

Let us not forget the idea of a maximum capacity car of unorthodox layout was not Japanese. We have the VW Microbus; Fiat used to bave the tiny but roomy Multipla. But in 1983, the Japanese have made the running in this sector.

Boots came back this year. If the Ford Orion, Fiat Regata and Lancia Prisma have anything in common, it is the impression they give of being half a class up from the hatchbacks out of which they were developed.

Volvo put a boot on the 340, too, and early next year a booted Maestro and a new VW Jetta will appear. In all but the smallest class of cars, most buyers now want boots, not tailgates, especially if the back seat can be folded down to take long things in emergency.

For advanced technology, the Citroen BX, cbosen last week as Top Car 1983 by the Guild of Motoring Writers in Britain—has no real rival. The all-independent, self-levelling suspension and brakes are linked to a high pressure hydraulic system found in just one other car — the Rolls-Royce, which pays royalties to Citroen.

I would like to see power assisted steering offered on the BX. In fact, it improves almost any car that is much used in traffic. I loved the Renault 5TX with its power steering; what a pity this model isn't available as an automatic.

At the other extreme from the high technology Citroen BX came the Lada Riva, a desperataly outdated machine with little to commend it except its price.

It has been a good year for diesel cars, whicb are no longer quita such a novelty in Britain as they were, but deserve to be far more popular. Among the best ones I bave driven this year were the Peugeot 305 and 205 (with the same basic engine and five-speed gearbox) and Ford Sierra, also with a Peugeot-made engine, though of 2.3 litres capacity.

Two outstanding diesels I drove in Europe this year are not available here — the Fiat Uno D and the BMW 524 TD. Unlike Renault, Peugeot and Volkswagen, Fiat has held back from introducing diesels to Britain but the Mercedes 190 and Citroen BX diesels will be coming next year.

At the beginning of 1983 diesel fuel was often dearer than 4-star petrol, in spite of the 12p per gallon lower duty rate. Now it is normally 12p to 15p per gallon cheaper than 4-star, sometimes as mucb as 25p cheaper.

I cannot see myself buying a petrol-engined car again. My Peugeot 305GLD, just sold, gave me 45-50 mpg over three years of impeccable service.

It bas been the year, too, when four-wheel drive made a significant impact. Again, it is the Japanese wbo bave stolen most of the thunder, with light "on demand" recreational four-wbeel drives like the Subaru and Tercel estates, Land Rover/Range Rover alternatives such as the Colt Sbogun, Nissan Patrol and Toyota Land-Cruiser.

Fiat's 4x4 Panda will be the cheapest all-wheel drive utility when it arrives before next spring. Audi's Quattro coupe and saloon are in a class of their own at the moment for permanent four-wheel drive performance and safety — but not for mucb longer.

CHESS

LEONARD BARDEN

GARY KASPAROV continued to gain confidence and authority right till the end of last week's Acorn Computer world semi-final in London and ran out an easy 7—4 winner over Viktor Korchnoi after being 2—3 down earlier Korchnoi was robbed of his passport on Tower Bridge when out for a late night walk before the final game, while in the tenth game the 52-year-old Russian exile missed a chance when he got into time trouble. But the essential fact was that once Kasparov recovered from his poor start to the match he looked a winner and Korchnol a loser.

Kasparov now meets Vassily Smyslov in the final. Smyslov, aged 62, who won and lost the world title before Kasparov was born, defeated the disappointing Zoltan Ribli of Hungary by 6½—4½ without ever being under real pressura. The remarkable aspect of Smyslov's achievement for spectators at the Great Eastern Hotel was bow well he pbysically weathered the aeries. Older players expect to lose concentration and tire in the fifth bour of play, but it was always Ribli, the 32-year-old, who looked nervous and careworn.

Assuming Kasparov now beats Smyslov, who will win wben be plays Anatoly Karpov for the world title? Kasparov showed match weakness against Korchnoi and, in spite of hia emphatic victory margin, was less convincing than in bis great tournament victoriea. He is a fast learner but my overall impression is that at present Karpov would narrowly defeat him. There is still almost a year to the match so Kasparov's credibility may yet grow further.

WHITE: G. Kasparov.
BLACK: V. Korcbnoi.
QP Benoni Defence (11th matcb game).

1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 P-KN3, P-B4; 4 P-Q5, PxP; 5 PxP, P-QN4; 6 B-N2, P-Q3; 7 P-QN4!

Black's fifth move tried to gain space but this is an anergetic counter. If 7 . . . PxP; 8 Q-N3, P-QR4; 9 P-QR3, PxP; 10 QxP ch, B-Q2; 11 Q-U7 regains the pawn and leaves Black's QRP isolated and weak.

7 . . . N-R3; 8 PxP, NxBP; 9 N-KB3, P-N3; 10 0-0, B-KN2; 11 N-Q4!

Kasparov has the ability to spot the essentials of a position and make them priorities in his game plan. Here he movas with rapid economy to establish his knight at the dominant QB6 square and then to pressurise Korcbnoi's weakened queen's aide.

11 . . . 0-0; 12 N-QB3; P-QR3; 13 N-B6, Q-B2; 16 B-K3; B-N2; 15 B-Q4, KR-K1; 16 P-QR4; PxP; 17 BxN(B5), PxB; 18 QxP, N-Q2; 19 Q-N3.

Threatens 20 KR-N1. Black's reply finally ousts the knight hut concedes a winning passed pawn.

19 . . . QBxN; 20 PxB, N-N3; 21 QR-N1, QR-N1; 22 Q-R3, P-B5; 23 KR-B1; BxN; 24 QxB, RxP; 25 Q-Q4, P-QR4; 26 R-N5, P-R5; 27 B-B3!

Korchnoi, down to two minntes for 14 moves, hoped for 27 KR-N1, P-R6 though even this loses to 28 RxN, RxR; 29 RxR, P-R7; 30 R-R6. Kasparov instead stops all cbance of a tactical slip-up.

27 . . . R(K7)-K1; 28 Q-B5, Q-K2; 29 P-B7! QxQ; 30 RxQ, QR-B1; 31 B-N7, N-Q2; 32 R(B5)xP, Resigns.

Dominic Lawson writes: The Korchnoi-Kasparov match had been planned for Pasadena, California, and the Smyslov-Ribli match for Abu Dbabi—both in August. The USSR Cbess Federation boycotted both for reasons which remain obscure. So in the first week of August Florencio Campomanes, President of FIDE, the international chess body, declared Korchnoi and Ribli winners by default.

So bow is it that Kasparov and Smyslov are to fight for the right to take on Karpov, the world champion?

In October a deal was done between the President of the Soviet Chess Federation and Campomanes. This involved the federation in promises to pay out about $180,000 in reparations.

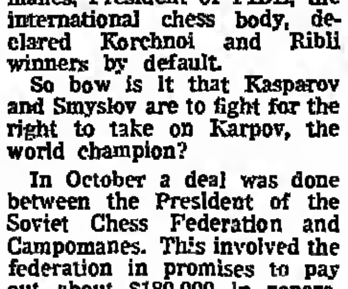
About $100,000 of this would go to FIDE to pay its costs in the lengthy dispute with the USSR over matches. Around $50,000 has been pledged to the U.S. Chess Federation, which bad threatened to block any rematcb unless the organiaers of the aborted Pasadena match were compensated.

The remainder is earmarked for Korchnoi, in return for his agreement to play a matcb wbich he had already won by default. The irony of the USSR paying out large sums of Western currency to a man tbey bad boycotted in tournaments since his 1976 defection is acute.

Dominic Lowson, an FT journalist, was on the orgnnising committee of the Acron Computer world chess championship. He is co-author of "Kasparov-Korchnoi: the London Contest," published this week by B. T. Batsford.

POSITION No. 495

BLACK (7 men)

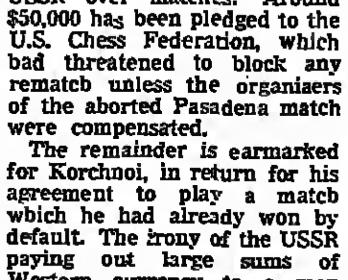


WHITE (7 men)

The Christmas position is a chance to play like world cbampion Karpov wboae opponent as White in this dlagram went 1 B-B4. Karpov's reply forced White's early resignation. How did the game end?

PROBLEM No. 495

BLACK (1 man)



WHITE (2 men)

A Christmas chess puzzle wbere the two kings have been knocked off the board. The problem is to replace them on squares where Wbite (to play) can then checkmate in one move. The solution may well be within the compass of novicea with a pudding or mince pie bandicap. Seasonal greetings to all cbessplaying readers.

Solutions Page 10

Influential ladies

GARDENING

ARTHUR HELLYER

THE ARRIVAL of a number of reasonably priced reprints of books by Gertrude Jekyll and Margery Fisb suggest that the time is ripe for a re-appraisal of the influences of these two remarkable ladies on English gardening.

The titles I bave received during these past few months are *Wood and Gorden* (Papermac £6.95), Gertrude Jekyll's first book published in 1899 when she was 56, *We Mode o Garden*, Margery Fisb's first book published in 1956 when she was 53 and *Gardening In The Shade*, also by Mrs Fish and published in 1964 (both Faber Paperback £3.50), *Roses for English Gardens* by Miss Jekyll and Edward Mawley, first published in 1901, and *Colour Schemes for the Flower Garden* by Miss Jekyll (both Penguin Books £7.95), and *Gardens for Small Country Houses* by Miss Jekyll and Lawrence Weaver first published in 1911 (Papermac £7.95).

Of the two women, Miss Jekyll is by far the more famous but I would not be certain that her present influence on garden making is as great as that of Mrs Fish.

One of the difficulties is that Miss Jekyll is so often depicted in an entirely false light. She is credited with being a devotee of cottage gardens and of drawing many of her ideas from them. She certainly liked the gardens of the Surrey cottagea around ber home at Munstead Wood, near Bramley, and sbe had o sharp eye for good plants in them and an attentive ear for cultural hints picked up from the cottagers.

But in terms of artistic perception she saw herself as far removed from such lowly people and the scale of most of the gardens on which she advised and of her own garden was vastly greater than that of any cottage.

In *Colour Schemes* she bemoans the fact that her garden only contained 10 acres of woodland which needed well considered treatment to make it appear larger. And this was just the smaller part of the garden.

She also made bordera for particular seasons and colour schemes being firmly convinced that three months was the longest period that any border could be kept "fully dressed."

Long before Miss Jekyll turned to garden writing she bad been an enthusiastic painter and interior decorator. Sbe had very firm views about colour and colour associations and was contemptuous of those who talked about these matters without satisfactory education. It was all far removed from the cottagers and their simple tastes and limited resources.

It is also widely supposed that Miss Jekyll disliked bedding plants of sub-tropical origin. Again it is untrue. She made free use of dahlias, gladioli, geraniums, yellow calceolarias and blue lobelia.

She was fussy about reds and could not bear the magenta of geranium Henry Jacoby but found the pure scarlet Paul Crampel quite satisfactory. She grew cannas, African marigolds and many annuals.

Yet another misapprehension is thrat Miss Jekyll was in favour of informality of deaign. In fact she considered a firm structure essential for good garden making and *Gardens for Small Country Houses* is full of plans and pictures chiefly remarkable for their symmetry.

She went to enormous pains to get things rigbt according to her own firmly beld beliefs. One does not need to share her preference to appreciate the good sense of the general idea whicb does not seem to have been touched on by any previous writer.

Though Miss Jekyll started to write quite late in life, she had been gardening for many years. Margery Fisb came to it from a career in Fleet Street (she was married to Walter Fisb who in the 1930s edited the Daily Mail) a complete novice.

But she learned rapidly, by mistakes as well as successes, and *We made n Garden* gives a full and often amusing account of the early years.

She really did make a cottage garden, if a rather large one about two acres in extent.

Margery scoured gardens far and wide in search of plants that would suit her garden. It grew little by little and still remains rather biggledy-piggledy in a way that Miss Jekyll would never bave endured but it is a very loveable garden

Rugby, 1983 . . . by **Peter Robbins**

Behind the times

THE FIRST four months of the rugby season have been frenetic to say the very least. They bave also been educational as both the game and the players, national and club teams have undergone a series of crises.

Now that all our visitors bave gone home there is a blissful period of domestic calm before tbe championship gets under way on January 21.

Rugby, as a game, had to deal with the danger of tbe Lord "professional" circus and mercifully that inane idea fell through. But the threat left its question marks over the game in terms of players' rights and expectations.

As with Kerry Packers' excursion into cricket, some good aurely will come out of this fiasco. The international board, a rather conservative body, will be forced to rethink the laws on professionalism and in particular sucb topics as royalties on books written by players and a further minor but important matter, tha allowance for players when in tour.

They would also bave to give serioua consideration to broken-time payment which, it will be recalled, was one of the major factors in the formation of the Rugby League code. They will have to realise that we do live almost in the 21st century.

Equally, the laws need re-examination to make the game more appealing and—just as important—less dangerous. I am thinking particularly of scrums and rucks which prodnce far too many needless injuries.

The New Zealand tour had its lessons. There is no sucb thing aa a weak All Black side, even without five experienced players. Scotland's meritorious draw confirmed the resilience and well-founded hopes for this season in spite of the lack of real depth.

England's victory at Twickenham presages, I think, a new dawn in English rugby, though we will be foolish to be complacent. What I admired about that performance was the extraordinary discipline shown by the whole team.

It is arguable that it wa taken too far at times when the team refused to move the bal widely by hand but the import ant psychological boost of a win justified the means.

Most important for England national pride has been restored under Wheeler's captaincy. His treatment at the hands of the national and Lions selectors was shabby and his partnership with Richard Greenwood should prosper even more.

I do not wish to denigrate the efforts of the previous coach, Mike Davis, and the previous chairman of selectors, Budge Rogers.

But something went horribly wrong with England last year and the intensive preparation for the match against New Zealand was incredibly thorough and the flowering of such players as Youngs, White and Simpson was a boon. One is bound to ask Youngs excepted, why these two forwards were not picked before.

Wales's season haa also been a value to them in the learning sense as first they were given a fright by the quick-witted and fast-moving Japanese side and tben terrified by their defeat at the hands of Romania. The retirement of Price and Squire represent an inestimable loss to this rugby-mad nation and the Welsh pack picked for the Romanian game looked extremely fragile.

One particular problem for the Welsh is that of captaincy where Butler, the present incumbent, must be under severe pressure. He is a tidy, competent player but seems to lack the flair and magnetism to catalyse the team. He has enough to do keeping his place with the cares of captaincy.

Watkins, the Newport hooker, led Walea B to a notable victory over France B earlier this month and must be a candidate. If Holmes does not recover from bis injuries then Mark Douglas would be a splendid replacement.

The Welsh selectors have seen the danger signals and have time to rethink and reform before they play Scotland at Cardiff in January. Thera is no more dangerous species than a Welshman when his national pride is pricked and menaced.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Saturday December 24 1983

Through two glasses, darkly

HAVE ANOTHER, old man . . . and let's drink to 1983, before it's too late. Never see another year like it, I'm afraid."

"I'll drink to that. Perfectly awful year, except for the election. And speaking personally, I'm not so happy about that, either: I've hardly been able to get a pair ever since. Positively confined to Westminster Barracks. Missed a very promising little conference in Geneva—and a quite amazingly warm time there back in '81—and only caught the tail end of Julie's coming out. Slavery, that's what it is."

"Been burning the midnight bit ourselves, you know . . . and I don't just mean the turnover, though I won't even hint at the Christmas bonuses this year. Might be one of these whole chaps somewhere in this rush.

"No, it's these Americans. They're the worst. We've had three distinct bids, and I've lost count of the tactful approaches. Managing partners in non-stop session, and some really quite nasty little squabbles. You see the younger ones are all for the Americans—they've heard about the salaries, but not how quickly you can get fired: while some of us wiser old heads have put in a lot of shooting time with the solider accepting houses. Your man Tebbit can't have known what he was starting."

"Tebbit? He's doing all right. Surprisingly pleasant if you catch him off the platform. Though I was quite startled when one of his civil servants told me after a committee. . . . 'He's a strange man, the Secretary of State,' he said. 'Do you know, he listens?'

"No, it's some of the others. Jenkin talking about the will of Parliament — I've had the chairman of my county council threatening to take all his lot over to the Liberals if we can't put a stop to this interference.

"Then there's Lawson, threatening to raise taxes. I give away no secrets if I tell you that that was not exactly a hit in the constituency. The feller might at least have sounded apologetic, but that's not our Nigel: and then all you City people said he was talking nonsense anyway."

Little Mo is more like Little Yo-yo

"Well, so it was, old man. Something to frighten the children, I suspect. All that stuff about selling gilts to foreigners, when we've not seen enough this year to keep the gilts partners happy. And Little Mo, which is more like Little Yo-yo when you take a close look at it. That sort of thing would have been frightfully unsettling a couple of years back; but no-one seems to worry about the money supply any more. Even Gordon Pepper keeps saying that it's all hunky dory. Marvellous year, as I was saying."

"All the more reason to keep quiet about the whole business. You know, although it sounded dull at the time, old Geoffrey Howe knew a thing or two. Made a positive principle of woofling. No one was ever quite sure what he'd said.

"Mind you, though, the style doesn't go down quite so well now he's moved over to the FCO. Woofling about our Ronald's little rodeo turn in Grenada—downright embarrassing. And then there's this Alfonso Whatsit in the Argentine—just the sort of chap we like to see, and it's all arm's length and after you, Cecil. As I was saying, a perfectly foul year."

The best buy has been Sweden

"Interesting you talking about foreign affairs. I've had to brush up a good deal, and the opportunities are simply amazing. Rum thing is, though, that the best buy this year has been Sweden—especially if you sold in May, as we like to say—and then Australia. You'd have doubled your money on the switch; and that's two socialist governments.

"Reminds me of the time Harold Wilson threw a party in No 10 the first time the FT index went through 400—which is a sobering thought, when you think that we're still waiting to double that, and Lord knows what's happened to the value of money in between."

"Well, we've got that licked, I hope. And the unemployment thing, with luck. And perhaps Ronald and Yuri will start speaking again, with an election coming up. Not to mention Willie, who's trying to get a grip on our public image—he's shrewder than he chooses to look. Things really ought to be looking up."

"Down, you mean. The fun might be over in the markets; and even if it isn't, we don't know who'll still be around to enjoy it, or what we'll be able to earn. No, that was the year, that was."

"Oh, cheer up. I'm talking about important things getting better, not your little sideshow. And drink up; your glass is still half full."

"Half empty, you mean."

Butlin's The Ritz

"AT THE Ritz you will get a meal at Christmas. Here we serve magic," says Butlin's catering controller. No two places could provide a more striking contrast of the way Christmas will be celebrated tomorrow. 16,000 people will be eating at Butlin's; a mere 120 at the Ritz but each respects the other. "Butlin's gives very good value for money," says Michael Twomey, the head waiter at the Ritz's famed Palm Court restaurant, and for all the contrasts between them, both recognise that, this year as always, they are in the business of conjuring up a happy Christmas for those who don't want to do it themselves.

The biggest party in the world

THE Fun Pool is closed and so is the Fun Food bar. As the icy rain pelted down from grey skies, it was hard to imagine a less welcoming spot to celebrate Christmas than the Butlin's Holiday Camp at Bognor Regis.

A 10-foot-high, plastic figure raised a long plastic arm to admit the taxi into the camp, which is enclosed by 7 ft fences. "This must be business, not pleasure," said the Bognor taxi driver.

On the second floor of the Butlin's main reception building, the atmosphere was all business. Businessmen in conservative suits rushed about with *last minute orders. The* place could easily be mistaken for an insurance adjuster's regional office.

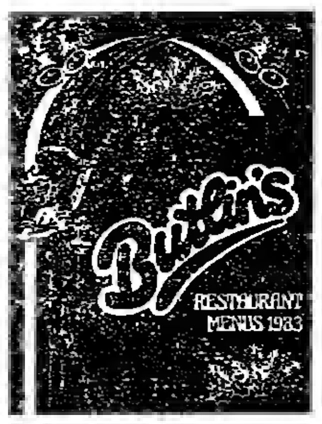
Mr Bob Webb, managing director of Butlins, says his team produces the largest Christmas party in the world, catering for 16,000 people in three locations for four days. "If you sat down and thought about it, it is horrifying," his catering manager says with a grin. Perhaps, but full room and board, Uncle Howard's Hairy Banana Magic Show and all the rest is only £93 for three nights and four days.

Unlike the summer season, where the trend toward holidaying abroad has lured away some of Butlin's customers, Christmas remains consistently popular. The three centres were fully booked in October; Mr Webb says the four-day holiday is comfortably profitable despite all the problems of opening up and decorating everything from the Blinking Owl Bar to the Regency Grotto.

The secret of this success, he says, stems from two simple Butlin's concepts: variety and volume.

On Christmas morning, for example, a Butlin's guest at Bognor can attend Holy Communion, watch a men's snooker tournament, compete in the Miss Hot Lips or Mr Hairy Chest competition, bet on filmed horse racing, dance in the Regency Ballroom, or meet Smokey the Clown and Father Christmas.

All these events ensure that the whole family is occupied—and all of them, except perhaps Holy Communion, involve a crowd.



Catering for thousands brings large-scale cost economies if purchasing is well organised. According to catering controller Mr Patrick Reid, Butlin's bought 3,000 lbs of frozen turkey breasts, 10,000 mince pies and 6,000 bottles of wine in preparing for this Christmas. The wine includes Wedding Veil and Mozart Table Wine this year, which Mr Reid admits are not fine vintages. "But the bottles are always empty after meals."

Butlin's staff work for remarkably little pay. A second chef, for example, earns just £66 for a 35-hour Christmas week, with meals and room included. A waitress earns £45.25.

"A lot of them are repeaters, they like working here, its a party for them," says Mr Webb.

It is true that the grounds, even in winter, provide a bright contrast to Bognor next door. Tucked behind trees are life-size geese wearing bonnets. All the buildings are freshly painted. It is not Disneyworld, but then Bognor isn't Orlando, Florida.

The staff have to be carefully trained by Butlins, because serving thousands is a feat requiring military precision. Table mats have been fused into the plastic tables to make setting places easier. Plates are either plastic or institutional stone-ware, the bread is always white, the coffee instant. Outside the gates of Bognor at a small pub nearby, the general manager remarks "You might like this crusty French bread, but they do not. Why change something that works?"

But some things are changing at Butlin's. This year's star entertainer is Freddie and the Dreamers, a well-amortised pop group from the 60s.

Freddie's appearance points up the fact that Butlin's main customers are now young married couples who met in discos, not dance halls.

Fast Food bars have been brought in and Butlin's is spending around £2m this year to dress up its drab accommodation, although army austerity still predominates in most of the quarters, which at Bognor aren't even placed by the sea. To make things more confusing the Yellow Camp is not yellow, it is blue.

As nearly half of the flats are now self-catering, Butlin's no longer booms out "Wakey Wakey" to guests. But the baby listening service remains, so parents can leave the child behind and if it cries, a staff patroller will relay the message to a large blue board in the entertainment room, which reads: "Baby Crying. Chalet No XX."

Butlin's is for children as much as adults—they can ride the freshly-painted amusement park rides as much as they like without any parental supervision or payment needed.

Tomorrow, the children on the Bobslay ride will get a treat: if all goes well, Father Christmas will pop out of the back of the ride, replete with sleigh and gifts for all 1,300 children.

Mr Webb says they like to stick to dry-land appearances for Santa now. Two years ago, an ocean approach was tried, but the overloaded boat capsized, tossing Father Christmas into the sea. "Children's illusions were shattered," says Mr Webb. "We can't have that at Butlins."

Butlin's best illusion is its huge Christmas pudding which every year is borne by two chefs and set alight. This four-foot-wide structure is stuffed with cotton soaked in methyalated spirits and followed by Red Coat entertainers with sparklers. Carols are later sung by the Bognor Regis Salvation Army choir.

And for Boxing Day, its the Miss Chubby, Charming and Cheerful contest in the Blinking Owl Bar.

'Dignity, always dignity'

"WE DON'T want to go overboard with Christmas here. Continuous jollification isn't to everyone's requirement," says Mr Michael Duffell, general manager of the Ritz Hotel in London.

With a double-breasted pin-striped suit, a handerchief tucked into the pocket, and a pale pink shirt, Mr Duffell looks every bit the part for his job. His tiny office is crowded with papers and files, but he maintains a correct posture and a bearing which inspires confidence.

This kind of bearing is helpful around Christmas time, because deep-down, Mr. Duffell wouldn't mind if someone cancelled Christmas.

"Of course, I love it when it finally arrives," he says, "but all the preparations are on top of everything else we do. We don't hire any extra staff, the whole world shuts down for 10 days. I don't know how any business makes money over Christmas."

The Ritz doesn't make a lot of money over Christmas. After experimenting with special Christmas packages the idea was dropped a few years back because it was not profitable and the guests didn't return.

But even though occupancy is down from the peaks achieved earlier this autumn, Christmas at the Ritz will be served with all the trimmings.

The elaborate hotel overlooking Green Park in London was built in 1904 and is so ornate that Christmas ornaments seem superfluous. There is a Douglas Fir in the lobby and that's about it. In planning for Christmas, the hotel's staff emphasise that maintaining the dignity of the Ritz is paramount.

"You can't imagine the endless hours of argument that went on over whether the lights on the birch trees outside should blink," explains Mr Duffell.

"I'm glad to say that they are not flashing. Dignity, always," he says, crossing his arms across his chest. "People expect it at the Ritz. There is an enormous temptation to overdo it and appear at Christmas time all dressed up like a cracker box. This just isn't right."

Christmas Day Lunch
1983

This air of almost regal rectitude in part stems from Mr Duffell's background. Before joining the Ritz, he spent four years running the palaces of King Hussein in Jordan. The King's picture hangs in Mr Duffell's small crowded office above the Ritz lobby.

Running a palace is very similar to running a hotel like the Ritz, he suggests, except that with a palace one didn't have to show any profit.

At the hotel, however, the profit-motive takes a bit of a holiday over Christmas. Maintaining dignity and peace cuts into margins, but Mr Duffell says he must pay this price.

For example, last year, the hotel's lavish resturant seated 169 people, elbow-to-elbow, for Christmas dinner. This year, only 120 will be allowed in for Christmas. "It was jolly good last year, but it wasn't the way the Ritz ought to be," muses Mr Duffell.

Another expense to be reckoned with is the extra pay for staff working at Christmas. Chambermaids at the Ritz earn £84 a week, plus double-pay on Christmas and an extra day off. They also get a staff lunch.

Down in the Ritz's large, warm kitchens, Mr Michael Quinn, the large-bellied chef, has spent the last few weeks organising the food orders for Christmas. Everything, but everything, that is served at the Ritz is fresh, right down to the orange juice at £1.50 a glass.

At Christmas, Mr Quinn has a special problem with fish because the fishermen are not working. "Lobsters and cray-fish are all right, because they can be kept live, tied up in the fridge, but some of the fish has to be frozen," he says with a small frown.

His Christmas menus are surprisingly traditional, with warm stilton tartlets as an appetiser providing the only real break from the expected. "Christmas is Christmas," he says. "We can't change that. If people want to stay in their rooms, they can order anything they like. But they generally don't."

As for his own Christmas, it will be the only meal of the year cooked by his wife, because he will be working all day and will not be home to cook.

Is all this extra fuss necessary? Should one's own Christmas be sacrificed to host a champagne reception in the Palm Court, wait at tables or clean rooms? "It's important that the hotel is seen to be busy. It's an exercise in goodwill," states Mr Duffell.

"It's also important to give people a place where they can get away from Christmas if they like," adds another Ritz employee. "Some people don't want to know about Christmas, they can come here and meet people if they like, or just relax in luxury."

As to who are the "clients" of the Ritz at Christmas, Mr Duffell smiles and says "Anybody, really." Mr Twomey, the head waiter at the Palm Court, who took his own children to Butlins three times when he was younger, is a bit more specific. "They are often the people who have given the servants the holiday off. They come to us and we look after them."

With the confidence that comes with working amid gold leaf and sculptured marble for 37 years, Mr Twomey goes on: "We provide a magic of our own here, an old world charm, a feeling of comfort, of plenty, of ease. I don't care who you are or how much money you have, coming to the Ritz is in everybody's dreams."

Letters to the Editor

The EEC budget

From Mr D. Bloom

Sir,—I read John Wyles' article (December 15) with mounting exhilaration. Apparently, British intransigence in Athens could result in:

—suspension of advance payments of subsidies on agricultural exports now
—followed by a freeze on farm prices, with price cuts on dairy produce
—then an end to producer and consumer subsidies
—eventually, a halt to subsidised exports altogether!

It sounds too good to be true, but the potential benefits to Europe and the world are so enormous that it really is the Government's duty to block any increase in the budget, rebate or no rebate.

Derek Bloom.
47 Old Church Street,
Chelsea, SW3.

Electricity

From Mr R. Rogers

Sir,—I read with extreme disappointment that the Government has decided to instruct the Electricity Council to increase electricity prices early next year when Mr P. Walker, the Energy Secretary, has said that *neither* he *nor* the electricity industry could see any need to increase prices next spring (December 16).

The Government must be aware that many consumers are already finding it very difficult to meet their electricity bills. Also our industries are facing extreme competition from other industrial countries where electricity prices are, in some cases, lower than our own.

I understand that the electricity supply industry is self-financing and is already repaying substantial borrowings to the Government. When the industry is stating that it can meet the Chancellor's increased financial target by improving its own operating efficiency, and hold prices steady for a further significant period, it is perverse for the Government to interfere in such a blatant way. It will do nothing to encourage greater efforts from staff in such industries to improve productivity when, as a result, no benefit can be seen to accrue to its customers.

It is, of course, paradoxical that the Government which wishes to promote competition and a commercial outlook, particularly encouraging industries to lower prices, should prevent a very important public enterprise from doing just that.

R. H. Rogers.
11 Kirkby Green,
Sutton Coldfield,
West Midlands.

Anti-semitism

From the Executive Director, Defence and Group Relations Department, The Board of Deputies of British Jews

Sir, — Your terse report (December 13) of Sir Oswald Mosley's assertion that "he was not antisemitic until attacks by Jews drove him to propose their expulsion," accurately sums up his evidence to the Birkett Tribunal in 1940, but it needs some clarification, lest it be taken at face value.

Mosley defined antisemitism as being opposed to Jews because they were Jews, to which he usually added the rider that the British Union of Fascists attacked Jews not for "what they were" but for "what they did." Clearly, the explanation aggravated the offence for it implied that antisemitism was the result of Jewish misconduct.

The fact is that Mosley's antisemitism was on record some two years before the notorious Albert Hall meeting in October 1934, which degenerated into a riot.

The sequence of events between the formation of the New Party and the emergence of the British Union of Fascists is fully spelled out in Robert Benewick's authoritative study of the period. He cites half-a-dozen of Mosley's closest associates in the BUF as inveterate antisemites and he quotes from a report in the Daily Herald (October 25 1932) in which Mosley at the first indoor meeting of the New Party says about his questioners, "They are all from Jerusalem; they don't know any better."

Far from eschewing antisemitism "until he was attacked by Jews," Mosley used antisemitism to stir up interest in a movement that was going nowhere. This is confirmed by his sister-in-law Baroness Ravensdale. In a book of reminiscences she attributes Sir Oswald's antisemitism to a belief that Fascism would not survive without a Jewish scapegoat.

In the long run, Mosley's antisemitism proved to be his undoing, for it identified him in the public eye with the brutal persecution of the Jews in Nazi Germany. Indeed, Mosley's tirade against the Jews at the Albert Hall BUF meeting in 1934 won him a congratulatory telegram from the arch-antisemite himself, Julius Streicher. In his reply, Mosley expressed his gratitude for Streicher's support, concluding with what can only be described as an uncanny vision of what lay in store for European Jewry: "The forces of Jewish corruption must be overcome . . . before the future of Europe can be made secure. . . . Our struggle is hard but our victory is certain."

(Dr) Jacob Gewirtz.
Woburn House,
Upper Woburn Place, WC1.

Discrimination

From Mr H. Scholes

Sir,—The White Paper on regional industrial development, with its commitment to continuing regional aid, is to be welcomed—so far as it goes. The proposals to revise assisted area boundaries, give better incentives to service industries and shift from automatic to more selective assistance are long overdue, and it is encouraging that the Government—if not yet the unions—have recognised the need for greater wage flexibility in the disadvantaged areas.

These changes, however, will have only a long-term effect on our persistent structural problems. If we really want to bring early relief to the localities most hard-hit by unemployment, there is only one way—through higher direct public expenditure there.

This need not involve a "major change in national economic policy" (to quote Mr Shore), but simply a degree of positive discrimination in favour of the areas in greatest need. We should provide more capital investment in infrastructure such as roads and sewers (as both CBI and TUC have advocated), and also higher current spending on services such as health and environmental improvement which could usefully absorb more low-paid workers (whether directly employed by public authorities or contracted out to the private sector). The aim would be to raise standards of service by engaging more workers and employing them efficiently, not to encourage over-manning, much less excessive wage settlements. It would therefore help to make the depressed areas more attractive as a location for private enterprise, as well as creating jobs directly.

There is no reason why such a policy need lead to higher inflation. The cost would, of course, have to be borne by the rest of the community but it should not be too heavy a burden, after taking account of the saving on social benefits. An all-party select committee of the House of Lords last year put the net cost of creating 400,000 additional jobs in this way at £900m a year—less than the yield of 1p on the standard rate of income tax. But if even a modest increases in taxation is thought unacceptable, is there not still a case for reallocating public expenditure from the more prosperous areas to help those most hard-hit?

Hubert Scholes.
5a, Lancaster Avenue,
Farnham, Surrey

Hardware

From the Director-General, Process Plant Association.

Sir,—The report (December 16) about industry's performance in the North Sea does not do justice to British process plant manufacturers. It is very misleading to draw quick conclusions from internal NEDO reports still under discussion. Little Neddies are concerned among other things with improving industry's competitiveness and their reports therefore concentrate on constructive criticism of such deficiencies as they believe exist in industry, rather than extolling its virtues. Your report therefore presents a biased point of view based on some selected cases.

Only recently members of this association met representatives of Britoil about its Clyde development after which we issued a statement with Britoil's agreement, that it "had been very pleased with the response of British hardware manufacturers in terms of price, quality and delivery"—praise indeed.

Because of the lack of investment in new oil refining and chemical projects our industry is more than ever concentrating on offshore business where it is making vigorous efforts. Early next year PPA is taking a strong 17-man mission to Indonesia to present the capabilities of the British process plant industry. Your report is not helpful to our marketing thrust.

I would suggest you give space to publishing the successes of process plant manufacturers, who are much slimmed down, whose productivity is generally improved and who have developed new technology where needed. They face the market with confidence.

Harry J. Hornsby
25 Whitehall, S.W.1.

Conveyancing

From Mr W. Bailey

Sir,—Like Mr Ashton-Spencer (Dec 17) I have had experience of buying and selling more than a few properties, using half a dozen solicitors in several cities over many years, and like him I am generally extremely dissatisfied. Indeed, mention "solicitor" at any social gathering, and one is buried under similar horror stories.

If solicitors were merely slow and expensive they might be forgiven. The truth is that their conveyancing activities are archaic in both objective and method. They are designed to identify legal certainties which attach to the property — facts which are either ludicrously obvious (e.g., the existence of public drains) or highly unlikely (e.g., the vendor is bankrupt). Modern factors much more likely to be relevant — such as fair rent registrations or neighbouring planning consents — are simply ignored. And the whole business is carried out with a dilatoriness which most solicitors hope the public mistakes for diligence, and avoids such obvious time-savers as getting the parties round a table to thrash out details in preference to negotiation by letter.

This Government was elected twice to eradicate the free public lunch—otherwise known as anti-competitive activities of powerful groups who wish to milk the rest of us. It's done quite well so far; but this life-long Conservative vote is one it will certainly lose if it doesn't give its own legal clique the same medicine.

W. H. Bailey.
Cliff House, Llancarfon, Barry, S. Glam.

RADIO CHOICE

Dickens of a Christmas

BY B. A. YOUNG

"They are such lovely melodies," a man in the Post Office queue said as he listened to a recorded choir churning carols into the street outside, "they ought to sing them the whole year round." The BBC has taken a contrary attitude for radio; it is trying to incorporate the whole year into Christmas.

And I suppose that's what most listeners want. With the shopping done, the presents given, the cooking finished and in due course eaten, only those who actually think about the events that took place (*mutatis mutandis*) on December 24-26 nineteen hundred and eighty-four years ago will welcome an invitation to think about anything harder than the football pools.

Certainly there is a potentially controversial programme scheduled for Radio 1 on Christmas Eve, *Christmas Rapping*, where two DJs discuss "the pros and cons of Christmas" with "Cliff Richard, Malcolm Muggeridge and other special guests." I wish we could ask for our guests the way we ask for discs on request programmes. Lord Longford, Joe Wade, Eddie Shah, Jim Prior....

But generally what we need is what we know. Not only "While shepherds watched" but *Desert Island Discs* and *Down Your Way*, the voice of Boy George and the voice of the Queen. Nostalgia reigns supreme from Christmas Eve to Boxing Day. Radio 4, exceeding all competition, will provide "the best of" various things at definite times every day for a week from Boxing Day — of *Quote, Unquote*, of *Desert Island Discs* (Boxing Day will give us Sir Ralph Richardson, who will certainly be leaning out over the 'gold bar of Heaven), of *Down Your Way* and *Just a Minute* and Inspector Maigret.

Only Radio 3 is venturing on Christmas novelties. On Christmas Eve they give us the opera *Leonora* — not the one with the three overtures, though, but an earlier one with roughly the same libretto as Beethoven's (yes, I know his is called *Fidelio*, not *Leonora*) only in Italian, and music by Fernando Paer. Paer (1771-1839) also wrote *Figaro* and *Idomeneo*, you must have heard of him. And Radio 3 will give us Shakespeare on Christmas Day —*Sir Thomas More*. It may not really be Shakespeare, but it's near enough to confuse the scholars. Ian McKellen plays the lead.

The plays on the whole are very nostalgic. Radio 4 is to give us two *Hancock's Half-hours*, though not everyone may be up to hear them—one at 8.15 am on Christmas Eve, one at 8.05 am on Boxing Day. Also on Radio 4 on Christmas Eve we have Wynyard Browne's play *The Holly and the Ivy*, set in a country vicarage on Christmas Eve of 1950, recorded in this performance in 1971. Both the principals, Stephen Murray and Nora Nicholson, are now dead.

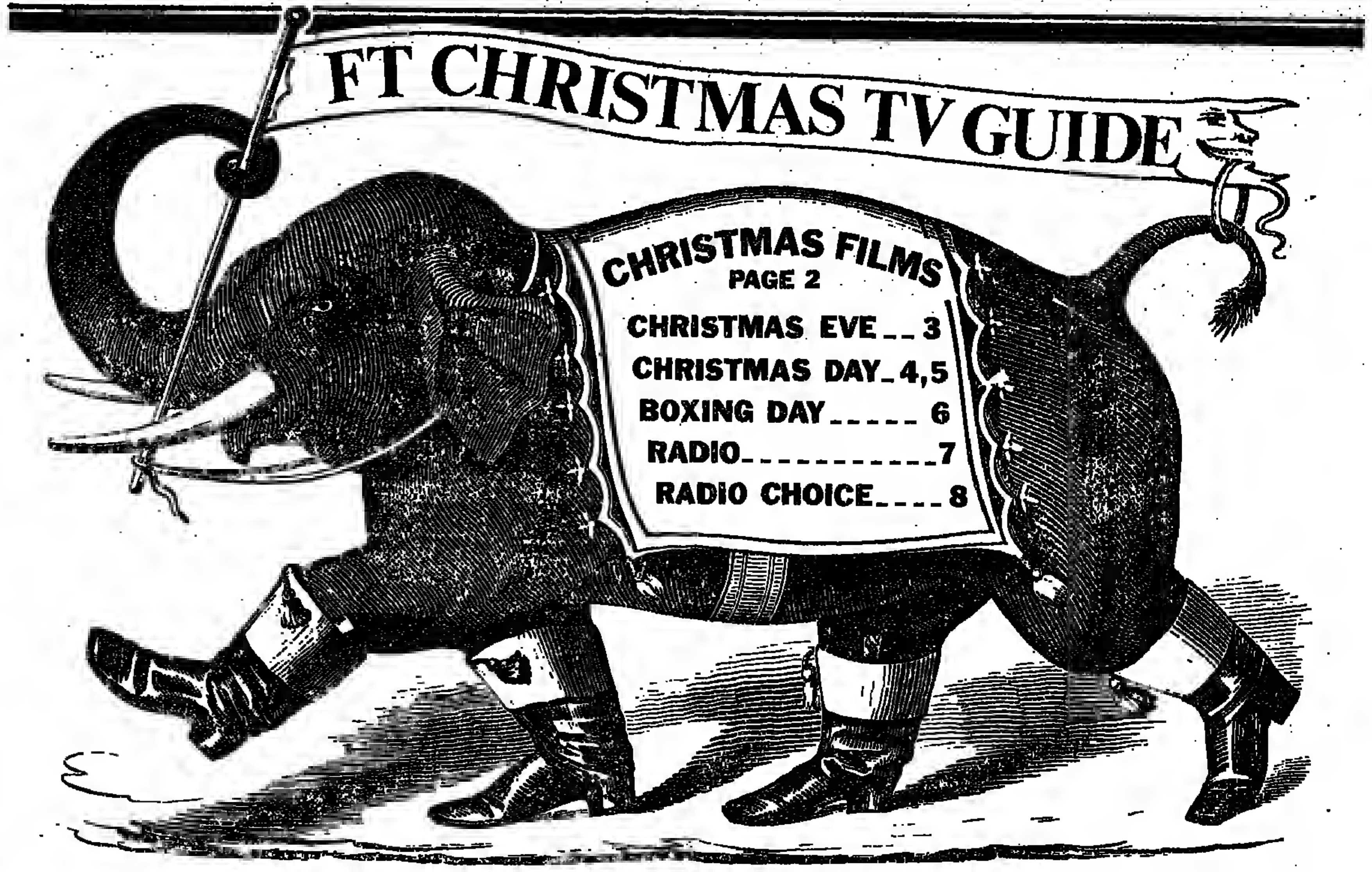
A special kind of nostalgia the following evening, when we repair to Dingley Dell for Christmas with the Pickwick lot. What would Christmas be without Dickens? That's in the afternoon; then in the evening we have Ben Travers's farce *A Cuckoo in the Nest* to remind us what we used to laugh at in 1925 when the divorce courts were so much less obliging than they are today. Next day the start of a five-part serial version of *Lorna Doone* (recorded in 1977) comes on before the traditional lunch of cold turkey; *Trelawny*, a musical version of Pinero's *Trelawny of the Wells*, follows it after lunch but before the washing-up; and Trollope's *The Warden* carries on after supper. (Surely no one eats a proper dinner on Boxing Day.)

Saint and singer in "Christmas Rapping," Radio 1.

Radio 3, as I've reported, gives us *Sir Thomas More*, which may be by Shakespeare or may not, but is at any rate near enough in merit to have had his name attached to it. This is on Christmas Day at 7 pm. There is entertainment elsewhere in the artistic spectrum at 1 pm on Radio 2—*The Sleeping Beauty*, described as a "traditional pantomime," but starring Terry Wogan and Jimmy Young.

There's less carol-singing than I'd have liked. Good old Radio 2 gives *A Festival of Christmas Music* (recorded in Leicester in 1982) but this isn't all carols. Radio 3 gives us *Christmas Music* on Christmas morning, but the programme is mostly 20th-century music (none the worse for that, but no one spontaneously joins in Poulenc's motets).

Rather less sport than I expected. Radio 2 will have *Pick of the Sporting Year* (this year, I should emphasise); then on Boxing Day there will be the usual afternoon of *Sport on Two*. There are other delights I have had no time to name—an hour about the Beatles, Christmas with Hinge and Bracket, Tony Blackburn's Christmas Show, which includes the Queen's speech at 9.30 am, an omnium gatherum by Richard Briers which I'm happy to see will contain Joyce Grenfell. Boxing Day on Radio 2 gives us the final instalment of *The Fosdyke Saga*, which is to have strikes and unrest in it. Topicality at last!



FILM GUIDE

Duck soup and mince pies on the box

BY NIGEL ANDREWS

"I've spent many Christmases in prison," said a certain Miss Xenia Field recently, an entertainment organiser dedicated to improving Xmas behind bars. "I started arranging concerts in the days when prisoners were banged up at 4.30 and had nothing but a few carols and old films at Christmas."

When I read this in a newspaper last week, I thought, wait a minute, this sounds just like the outside world. Surely this do-gooding of Miss Field's—admirable and timely—should be encouraged to spread well beyond life in the slammer? The last time most of us had a Christmas that amounted to significantly more than a few carols and old films—not to mention being banged up at 4.30 pm which is usually the effect of après-turkey incapacitation—was when we were children. In those days, being *on the receiving rather than* the donating end of events, we were prodigiously exuberant and horribly tireless.

The wonder of Christmas, of course, is that it's a time for *generous and widespread* detente. Different branches and different members of the same family, who have spent the rest of the year freely or covertly ignoring each other, meet to pull crackers, set fire to Christmas puddings, wear funny hats and watch old films. No more peculiar ceremony has ever become established in the Western world. And from the gathering of clans and generations comes the need for common denominator entertainment. Else the household would echo anew hourly to fresh schisms.

I had an eccentric uncle once who would remain completely silent for most of Christmas Day while serenely quaffing large amounts of alcohol and scoffing ditto amounts of food.

Arr Jim Lad: Robert Newton stars in "Treasure Island" on BBC1 on Christmas Day.

Until the evening: when he would interrupt his equally serene watching of old movies on TV by suddenly becoming animated and throwing a mince pie or two—or several—at the screen.

This went on each Christmas for years, causing much minor spoliation of the screen, and none of us was able either to stop him or to determine what was the common trigger—if there was one—to his actions. *Finally it dawned on us.* The common factor was the presence on screen of a famous British film comedian — *any* famous British film comedian. It was a genus he detested. With Norman Wisdom he kept trying, I think, to knock the comedian's well-known bicycle cap off with an acutely aimed pastry. With George Formby he attempted to dislodge the famous ukulele. And with Will Hay the mince-pie would hit the screen somewhere between the schoolmaster's mortarboard and the ingratiating wire-frame specs: to destroy or disarm either would have satisfied him.

I never saw my uncle again after the age of 12. People differ on whether he died peacefully in his sleep or was taken off to an establishment where he depended on the kindness of strangers. But for me he has always been the model of how one should behave over Christmas: especially *vis-a-vis* old movies on TV. Never sit passively by, always react. Register *fury as well as joy. Do not* allow the TV companies to feed you rubbish without protesting. (Mind you, I'm not as averse to British comics as he was. My mince-pie hand tends *to twitch at the approach of* Deanna Durbin or Abbot and Costello.)

The television channels, true to form, have uncorked a magnum of movie entertainment this Yuletide. And true to form, much all-star sparkle attempts *to make up for not an enormous* amount of flavour and body in the films. But Christmas Day offers the best value. BBC2 always holds out for quality, even in the silliest of seasons, and *Meet Me In St Louis* and *Duck Soup* are a joyful pairing: a classic musical and a classic comedy. *Superman* and *The King of Comedy* on the commercial channels provide more up-to-the-minute entertainment. And *Monsieur Hulot's Holiday*, which never loses its hilarity, is neatly scheduled for post-lunch subsidence time, 4.25 pm.

Either side of Christmas Day, the news is less sanguine. And it's here that you should perhaps keep a supply of pies by the side of your chair. The best offering on Christmas Eve is *To Catch A Thief*, Hitchcock's fizziest comedy thriller. The second best is *Flash Gordon*, which though it won't exactly challenge for IQ is rumbustious polychrome fun. BBC2 spends the early part of the day trying to give the lie to the kind remarks I made just now. *Scrooge* and *That Touch of Mink* are both overdressed cinematic capons. Better to reserve *Major Barbara* and watch Wendy Hiller tackling, exemplarily G. B. Shaw.

Boxing Day wheels out *The Bridge On The River Kwai*, which can bear a fair number of repeat viewings. But *Mame* and *The Fortune* are underwrought and overblown, worth sampling only in an emergency. If you want to keep most of the family happy most of the time, try them on permutations of *Rocky*, *The Ipcress File*, Bob Dylan's *Renaldo and Clara*, *The Scarlet Pimpernel* (new TV version) and *The Spy Who Loved Me*. Happy film-watching.

Anthony Andrews and Jane Seymour in "The Scarlet Pimpernel," ITV, Boxing Day.

Sylvester Stallone plays Rocky on Boxing Day

Tony Hancock, Smash of The Day, 8.15 am Christmas Eve

"A Cuckoo In the Nest" by Ben Travers Christmas Day, 9 pm, Radio 4.

Wogan and Young with Stacy Dorning in Radio 2's panto.

Christmas radio with B. A. Young

CHRISTMAS EVE

I'd be sorry not to hear Radio 1's *Christmas Rapping* at 6.30, and find out what Cliff Richard, Malcolm Muggeridge and the rest think of as "the pros and cons of Christmas." For the serious, Radio 4's play *The Holly and the Ivy* at 8.25 will entertain without strain; for the more serious, there's opera, Paer's *Leonora*, on Radio 3 at 6.35. *Hancock's Half-Hour* at 8.15 am, if you're up.

RADIO 2

(S) Stereo broadcast

5.00 am George Ferguson (S). 7.30 *David Jacobs (S)*. 9.30 *Sounds of the 60s* (S). 10.30 Album Time with Peter Clayton (S). 11.30 Wake Those Yonel Eht (The Kenny Everett Show!) (S). 1.00 pm Cliff Michelmore. 3.00 Paul Burnett Christmas Special. 5.00 Fred Astaire—50 Years in Hollywood. 6.00 Pick of the Sporting Year. 7.00 *Beat the Record*. 7.30 *A Festival of* Christmas Music (S). 9.30 Big Band Special (S). 10.00 The Grumbleweeds' Christmas Party. 11.00 Christmas at the Dome. 12.05 am Pete Murray's Late Show (S). 2.00-5.00 Bill Rennells (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release. New records. Charpentier, W. G. Whittaker (S). 11.15 Vienna Philharmonic Orchestra (S). 11.50 Interval Reading. 11.55 Part 2: Bruckner. 1.00 pm News. 1.05 Ravel and Haydn (S). 2.00 Ernest Ansermet (S). 4.00 Brahms Violin and Viola Sonatas (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Leonora (S). 7.50 Some Random Mutton Memories. 8.05 Leonora: Act 2 (S). 9.15 The Sleeping Beauty (S). 12.00-12.03 am News.

RADIO 4

6.25 am *Shipping Forecast*. 6.30 News, Farming Today. 6.50 In Perspective. 6.55 Weather; Travel, Programme News. 7.00 News. 7.10 Today's Papers. 7.15 *On Your Farm*. 7.50 *In Perspective*. 7.55 Weather; Travel, Programme News. 8.00 News. 8.10 Today's Papers. 8.15 Smash of the Day. 8.48 Weather; Travel. 8.51 News. 8.56 Breakaway. 9.50 *News Stand*. 10.05 The Week in Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our *Own Correspondent*. 12.00 *pm News*, News Quiz of the Year. 12.27 The First Hall Century (S). 12.55 Weather; Programme News. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.03 Afternoon Theatre. 3.00 News; A Festival of Nine Lessons and Carols (S). 4.30 Does He Take Sugar? 5.00 *Wildlife*. 5.25 The Mistletoe Bough. 5.50 Shipping Forecast. 5.55 Weather; Travel, Programme News. 6.00 News. 6.15 The Winged Boy. 7.25 70 Marvellous Years. 7.55 The Wexford Carols (S). 8.25 Saturday-Night Theatre. 10.00 News. 10.15 The Countryside at Christmas. 11.00 News, Old Christmas. 11.30 *Midnight Mass*. 12.15 am Close: Shipping Forecast.

WORLD SERVICE

BBC World Service can be received in Western Europe on medium wave 684 kHz (463m) at the following times GMT:

6.00 am Newsdesk. 7.00 World News. 7.09 News About Britain. 7.15 From the Weeklies. 7.30 Classical Record Review. 7.45 Network UK. 8.00 World News. 8.09 Reflections. 8.15 Rhythm and Season. 8.30 Quote Unquote. 9.00 World News. 9.09 *Review of the British Press*. 9.15 The World Today. 9.30 Financial News. 9.40 Look Ahead. 9.45 A Chapel to the World. 10.15 What's New. 10.30 Just A Minute. 11.00 World News. 11.09 News about Britain. 11.15 About Britain. 12.00 Radio Newsreel. 12.15 pm Anything Goes. 12.45 A Lift in the Rain. 1.00 World News. 1.09 Commentary. 1.15 Network UK. 1.30 Motive for Murder. 2.00 London Concert Tradition. 2.30 A Chapel to the World. 3.00 News Summary. 3.02 WS Johns R4. 4.30 Hancock's Half Hour. 5.00 World News. 5.09 Baker's Half Dozen. 8.00 World News. 8.09 *Commentary*. 8.15 Good Books. 9.15 What's New. 9.30 Hancock's Half Hour. 10.00 World News. 10.09 The Mistletoe Bough. 10.40 Reflections. 10.45 Flanders and Swann. 11.00 World News. 11.09 Commentary. 11.15 Letterbox. 11.30 A Chapel to the World. 12.00 World News. 12.09 am News about Britain. 12.15 Radio Newsreel. 12.30 Festival of Nine Lessons and Carols. 2.00 World News. 2.09 Commentary. 2.15 The Gift. 2.30 Hancock's Half Hour. 3.00 World News. 3.09 News about Britain. 3.15 From Our Own Correspondent. 3.30 Just A Minute. 4.00 Newsdesk. 4.25 Interlude. 4.30 The English Air. 5.45 Letter from America.

CHRISTMAS DAY

There's the Queen at 9.30 in the morning, and the Archbishop of Canterbury (on Radio 3) at 9.35 in the evening. Richard Briers passes the time from church to lunch with a package of old favourites on Radio 4, while Radio 3 plays carols. A Pickwick play after lunch and a Ben Travers in the evening on Radio 4, and a dubious Shakespeare in the evening on Radio 3.

RADIO 2

(S) stereo broadcast

5.00 am Don Mclean and George Ferguson (S). 7.30 Good Morning *Christmas* (S). 9.00 *David Jacobs (S)*. 10.00 The Queen. 11.00 Desmond Carrington's Rainbow Connection (S). 1.00 pm The Sleeping Beauty (S). 2.00 Ed Stewart with Forces' Favourites (S). 4.00 Sing Something Simple (S). 4.30 The Forsyte Saga. 4.45 Charlie Chester (S). 6.00 *Christmas Night*. 7.30 *Grand Hotel*. 8.30 Sunday Half Hour. 9.00 Your Hundred Best Tunes. 10.00 Rostal and Schaefer. 10.30 *Mantovani Magic*. 11.00 Pete Murray's Late Show. 2.00-5.00 am Bill Rennells (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 The English Baroque (S). 9.00 News. 9.05 Your Christmas Choice (S). 10.30 Christmas Music (S). 11.20 Chicago Symphony Orchestra (S). 1.00 pm Schubert's Octet (S). 2.00 Spanish Songs and Arias (S). 2.35 A Closer Look. 2.55 Spanish Songs and Arias (S). 3.35 John Lill (S). 4.35 Haydn (S). 6.30 A Festival of Nine Lessons and Carols. 7.00 Sir Thomas More (S). 9.00 Brahms' Symphonies (S). 9.35 Light in the Darkness. 9.55 Brahms (S). 10.45 Bach (S). 11.15-11.18 News.

RADIO 4

6.25 am Shipping Forecast. 6.30 Morning Has Broken (S). 6.50 Nativity Reading. 6.55 Weather; Travel, Programme News. 7.00 News. 7.05 Peter Barkworth (S). 7.50 Nativity Reading. 7.55 Weather; Travel; Programme News. 8.00 News. 8.05 Sunday. 8.55 Weather, Travel; Programme News. 9.00 News. 9.05 Christmas Bells. 9.30 The Queen (S). 9.35 Morning Service. 10.30 The Archers. 11.30 Christmas Briers (S). 1.00 pm The Queen (S). 1.05 News. 1.10 News Review of the Year. 1.55 Shipping Forecast. 2.00 The Countryside at *Christmas*. 2.45 *Afternoon Theatre* (S). 4.15 A Birthday at Bethlehem. 4.45 An Enchantment of Roses. 5.00 News Quiz of the Year (S). 5.25 Christmas 43. 5.50 Shipping Forecast. 5.55 Weather; Travel; Programme News. 6.00 News. 6.05 Crisis at Christmas. 6.10 Helston Cracked *Pipples*. *Northamptonshire Christmas* (S). 6.55 Travel, Programme News. 7.00 News; The Magic Carpet (S). 7.30 All Our Christmasses (S). 8.15 Christmas Isn't What It Was, with Glyn Worsnip. 9.00 A Cuckoo in the Nest (S). 10.30 News. 10.35 Behind the Chalet School. 10.50 The Festival *of Peace* (S). 11.05 *A People's Carol* (S). 11.35 The First Hall Century (S). 12.00 News. 12.10 am Weather. 12.15 Close: Shipping Forecast.

WORLD SERVICE

BBC World Service can be received in Western Europe on medium wave 684 kHz (463m) at the following times GMT:

6.00 am Newsdesk. 7.00 World News. 7.09 News about Britain. 7.15 From Our Own Correspondent. 7.30 A Closer Look. 7.50 Recording of the Week. 8.00 World News. 8.09 Reflections. 8.15 The Pleasure's Yours. 9.00 World News. 9.09 Look Ahead. 9.15 The Gift. 9.30 The Queen. 9.35 Festival of Nine Lessons and Carols. 11.00 World News. 11.09 News About Britain. 11.15 Letter from America. 12.00 Play of the Week. 1.00 pm World News. 1.09 Commentary. 1.15 Good Books. 1.30 Christmas Day Service. 2.00 The Sarah Jones Request Show. 2.30 Caught in the Act. 3.00 The Queen. 3.15 Concert Hall. 4.00 World News. 4.09 Commentary. 4.15 The Mistletoe Bough. 4.45 Letter from America. 5.00 World News. 5.09 Just A Minute. 8.00 World News. 8.09 Commentary. 8.15 Letterbox. 9.15 The Pleasure's Yours. 10.00 World News. 10.09 A Knocking in the Skull. 10.40 Reflections. 10.45 The Queen. 11.00 World News. 11.09 Commentary. 11.15 Letter from America. 11.30 Caught in the Act. 12.00 World News. 12.09 am News about Britain. 12.15 Radio Newsreel. 12.30 Christmas Service. 1.00 Denny Green's Christmas Dickens. 1.45 Breakthrough. 2.00 World News. 2.09 Commentary. 2.15 Good Books. 2.30 Music Now. 3.00 World News. 3.09 News about Britain. 3.15 Something to Show You. 3.30 Anything Goes. 4.00 Newsdesk. 4.25 Interlude. 4.30 The Painter of Signs. 5.45 At Home Wal.

BOXING DAY

"The best of" this and that on Radio 4 includes Sir Ralph Richardson's posthumous Desert Island Discs at 9.05 am. Radio 2 has an hour of Beatles nostalgia at midday and then sport and racing. Radio 3 plays Beethoven's *Fidelio* at 7.15 pm, while Radio 4 provides miscellaneous plays at 11.05 (*Lorna Doone*), 2 pm (*Trelawny*), 6.15 (start of a series of revived Maigrets) and 8 pm (Trollope's *The Warden*).

RADIO 2

(S) stereo broadcast

5.00 am Ray Moore (S). 8.00 Terry *Wogan* (S). 10.00 *David Hamilton's* Music Show (S). 12.00 pm The Beatles at Christmas (S). 1.00 The Grumbleweeds' Christmas Party (S). 2.00 Sport on 2: Football, Racing, Sports Report, Football, Rugby, Pools news. 6.00 John Dunn. 7.30 Alan Dell (S). 8.30 Humphrey Lyttelton (S). 9.30 Star Sound. 10.00 Cinema Scrapbook. 10.30 Sports Desk. 10.35 Stuart Hall. 1.00 am The Sleeping Beauty (S). 2.00-5.00 Charles Nove (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 *Morning Concert (S)*. *8.00 News*. 8.05 Morning Concert. 9.00 News. 9.05 This Week's Composer (S). 10.00 Faure Piano Music (S). 10.30 Arnold Bax Centenary (S). 11.30 Amadeus String Trio (S). 12.15 pm Brahms' Symphonies (S). 1.00 News. 1.05 Brahms (S). 1.50 Schubert (S). 3.00 *New Records* (S). 4.55 News. 5.00 Orchestras on their Home Ground (S). 6.35 Music for Organ (S). 7.15 Fidelio (S). 8.30 A Sentence for Tyranny. 9.00 Fidelio (S). 10.10 The Sunbather. 10.30 Jazz Today. 11.15-11.18 News.

RADIO 4

6.25 am Shipping Forecast. 6.30 News. 6.55, 7.55 Weather. 7.00 News Summary. 8.00 News. 8.05 Smash of the Day. 8.30 Quote... Unquote (S). 8.59 Weather, Travel. 9.00 News. 9.05 Desert Island Discs (S). 10.00 News; Travel: Points of Departure (S). 10.15 Cristal and White. 10.30 Morning Story. 10.45 Joy to the World (S). 11.00 News: Lorna Doone (S). 12.00 News; Christmas 43. 12.30 pm Just a Minute (S). 12.55 Weather, Programme News. 1.00 News. 1.05 The Sinking of the "Scharnhorst." 1.40 The Archers. 1.55 Shipping Forecast. 2.00 Afternoon Theatre (S). 4.00 Down Your Way. 4.40 Story Time. 5.00 News. The Magic Carpet (S). 5.30 Cat World. 5.35 Elkins in Israel. 5.50 Shipping Forecast. 5.55 Weather, Programme News. 6.00 News. 6.15 The Best of Maigret (S). 7.00 News. 7.05 The Archers. 7.20 If a Wise Man Came. 7.45 Prefaces of Shakespeare. 8.00 The Monday Play (S). 9.59 Weather. 10.00 News. 10.05 Week Ending (S). 10.30 It's the Handsome Cads, Don'tcha Know! 11.00 A Book at Bedtime. 11.15 Ambridge Encore (S). 12.00 News. 12.10 am Weather. 12.15 Close, Shipping Forecast.

WORLD SERVICE

BBC World Service can be received in Western Europe on medium wave 648 kHz (463m) at the following times GMT:

5.00 am Newsdesk. 7.00 World News. 7.09 News About Britain. 7.15 Shrinklits. 7.30 Sarah and Company. 8.00 World News. 8.09 Reflections. 8.15 Viennese Nights. 8.30 Anything Goes. 9.00 World News. 9.09 Look Ahead. 9.15 Waveguide. 9.25 Good Books. 9.40 Interlude. 9.45 Music Now. 10.15 Short Story. 10.30 Hancock's Half Hour. 11.00 World News. 11.09 News About Britain. 11.15 Anna of the Five Towns. 12.00 Radio Newsreel. 12.15 pm Quote, Unquote. 12.45 On the Feast of Stephen. 1.00 World News. 1.09 Commentary. 1.15 Shrinklits. 1.30 Country Style. 1.45 Benny Green's Christmas Dickens. 2.30 Musical Milestone. 3.00 Radio Newsreel. 3.15 Sports Special. 4.00 World News. 4.09 Commentary. 4.15 Sports Special. 5.00 World News. 5.09 Sports Special. 8.00 World News. 8.09 Commentary. 8.15 On the Feast of Stephen. 9.15 Anna of the Five Towns. 9.30 Rock Salad. 10.00 World News. 10.09 Motive for Murder. 10.40 Reflections. 10.45 Sports Roundup. 11.00 World News. 11.09 Commentary. 11.15 The Cambridge Buskers. 11.30 Quote, Unquote. 12.00 World News. 12.09 am News About Britain. 12.15 Radio Newsreel. 12.30 Time Remembered. 1.00 Waveguide. 1.10 Paperback Choice. 1.15 To *Fly* Where the Sun Never Sets. 2.00 World News. 2.09 Review of the British Press. 2.15 Sing a Song of Christmas. 2.30 Sporting Highlights of 1983. 3.00 World News. 3.09 News About Britain. 3.15 Shrinklits. 3.30 John Peel. 4.00 Newsdesk. 4.30 Breakthrough. 5.45 A Lift in the Rain.

BOXING DAY

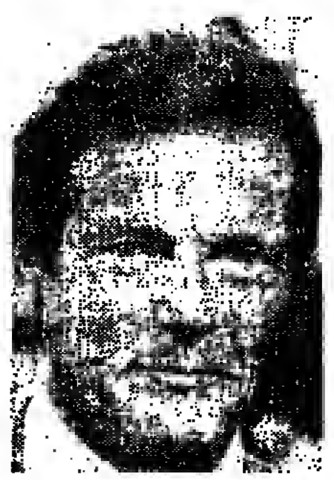
FILM GUIDE

Bob Dylan's *Renaldo and Clara* is a fascinating four-hour rock-and-philosophy epic that, if you're completely blotto by 9.30 pm, you might take the trouble to video-record for later consumption. "Picaresque" is an understatement for the way the film wanders through its vast road-movie plot, co-written by Dylan and Sam Shephard, combining reportage and fiction, music and drama, and all-sorts stars like Joan Baez, Harry Dean Stanton, Allen Ginsberg and Dylan himself (as Dylan). It's unique, remarkable, and definitely the film to bring you back to your senses—or your senses back to you—after the Christmas binge.

Elsewhere *The Bridge On The River Kwai* is blown up for the umpteenth time before your eyes. *Rocky* premieres on TV, giving us Sylvester Stallone's pugilist at his early best, a buoyant mixture of adenoids and homely apothegms. *The Ipcress File* begins a season of Michael Caine/Len Deighton films, echoing to the famous tones of "'Allo. Mah nime is 'Arry Palmer." This was the first and best, directed with much flair by Sidney Furie.

The Spy Who Loved Me is a top-class Bond, albeit with Moore not Connery in the driving seat. *The Scarlet Pimpernel* is a new TV version, directed by Clive Donner and starring Anthony Andrews, Jane Seymour and Ian McKellen. And *Th Bugs Bunny Road Runner Movie* anthologises the best of Hollywood animator Chuck Jones's work, who toiled many years in the Loony Tunes vineyards creating the toothsome rabbit, the coyote-outwitting bird and many others.

Worth offering to do the washing up during are *Mame* and *The Fortune*. In the first,



Roger Moore, ITV, 6.30

Lucille Ball, Robert Preston and a hecatomb of hoofers burst into song and dance all over your living room; unless firmly discouraged. This big-screen ex-Broadway blockbuster-to-end-them-all very nearly did so—it was virtually the last of the epic movie musicals. *The Fortune* is a misfiring comedy from Mike (*The Graduate*) Nichols, in which Warren Beatty, Jack Nicholson and Stockard Channing try to ignite a dim story of love, elopement and inter-state felony.

Channel 4 provides two films for children. *A Swarm in May* was made for the Children's Film Unit and is a lively if labyrinthine tale of bees, introits and choristers. *The Adventures of Tom Sawyer* is a goodish 1938 bash at Twain, produced by David O. Selznick in glorious Technicolor.

Nigel Andrews

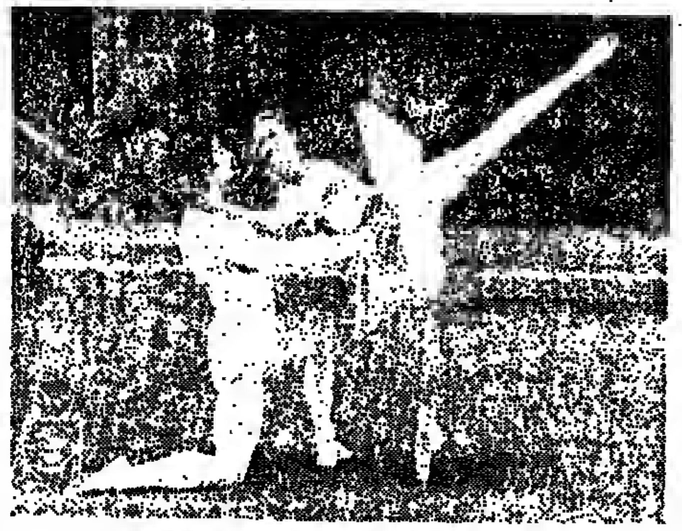
Two ballets for Boxing Day

BY CHRIS DUNKLEY

ONCE AGAIN there seems little point in expatiating upon such already over-exposed offerings as *Eric And Ernie's Christmas Show* (ITV 8.45) and *The Kenny Everett Television Show* (BBC1 7.15). They are hardly going to creep past without your noticing. *Home* on the other hand might do just that.

This is the first in what is planned as an occasional series on Channel 4 dealing not exactly with religions, not exactly with different races, not exactly with people of different origins but all three: the only appropriate term seems to be "ethnicity" but the producers clearly dislike that word as much as I do and have carefully avoided it.

Tonight's opening programme (6.55) is about Britain's Jewish community. It begins with references to Cromwell inviting the Jews back, and then to the influx of Jews into Stepney and the surrounding areas after the central European pogroms. In order to be seen to be fitting into their adoptive society they took such steps as forming the Jewish Lads' Brigade: "The cooking was kosher but the culture was British." Then the programme



A Russian Sleeping Beauty at 4.45 on Channel 4.

moves fairly quickly to today's Jewish families and their customs.

As with other religions many of today's young Jews are growing away from their parents' faith: a third now "marry out." But fascinatingly the programme also shows the converse—young Jews adopting an orthodoxy far more strict than their parents' and becoming almost an embarrassment to the older generation.

Perhaps the programme's most valuable element is its clear illustration of the way Jewish laws and customs affect everyday life.

The day is also the richest of the year for ballet lovers. At 4.45 Channel 4 screens a recording made earlier this year of the Kirov company's 200th anniversary production of *The Sleeping Beauty* with Irina Kolpakova dancing Princess Aurora (the beauty), Sergei Berezhnoi as the Prince, and Vladimir Lopukhov as Carabosse. The music is of course Chaikovsky's, the classic choreography is Petipa's, and the Leningrad Theatre Orchestra is conducted by Viktor Fedotov.

At 8.10 BBC2 reaches the climax of its "Dance International" series with a film of *Romeo and Juliet* starring Rodolf Nuyerev as Romeo and Margot Fonteyn at Lady Capulet. It was recorded with the ballet company from La Scala, Milan on the large floor of a local sports stadium with Carlo Fracci dancing Juliet. The interest inevitably centres on the two great stars, however, particularly Nuyerev. Naturally enough he does not perform now as he did when he was 22, yet it is remarkable what can be achieved by allowing a dancer to record in short bursts and later marrying the pieces together for television.

BBC 1

0.00 The New Adventures of Flash Gordon.
9.20 The Natural World. "Snowy, Chilly, Molley And Me." John Paling looks at the lives of our apparently domesticated pets, and the benefits they bring us.
10.10 Cartoons.
10.30 Play School.
10.55 Pigeon Street. Repeat of a "See Saw" programme.
11.10 Strange Companions. A two-part Walt Disney adventure about a young runaway stowing away on a light aircraft.
12.00 pm Look Back With Noakes.
12.30 News headlines and weather.
12.35 The Raccoons and The Lost Star. Musical cartoon narrated by Rich Little.
1.20 Cracked Ice. Warner Brothers cartoon.
1.30 The Good Life. Repeat of a Christmassy episode.
2.00 Bridge On The River Kwai. 1957 movie starring Alec Guinness and Jack Hawkins.
4.35 The Keith Harris Christmas Party. Special guests include Shakin' Stevens
0.10 News.
5.15 Final Score.
5.25 Circus World Championships.
6.25 The Paul Daniels Magic Christmas Show.
7.15 The Kenny Everett Television Show.
7.50 "Rocky" (1976), starring Sylvester Stallone, with Talia Shire, Burt Young, Burgess Meredith.
9.45 Lenny Henry presents "Laughing Matter." Fifty minutes of classic comedy sketches introduced by Lenny Henry and friends.
10.25 News.
10.35 Kiri and friends. Kiri Te Kanawa introduces some of her favourite people from the world of music.
11.35 The Treasure of Abbot Thomas dramatised by John Bowen from the story by M. R. James, starring Michael Bryant.
12.15 am-12.20 Weatherman.

BBC 2

12.45 pm Racing from Wincanton. 1.00 The Daily Mirror Conditional Jockeys Championship Handicap Chase; 1.35 The Coral Golden Hurdle; 2.05 The Better Bet Coral Steeplechase; plus highlights of the 1983 flat racing season.
2.20 Joseph And Child. Who actually delivered the new born king?
2.35 The Tale Of Beatrix Potter. John Hawkesworth's documentary biography based on the books by Margaret Lane with Penelope Wilton as Beatrix Potter.
4.30 The Book Game. Third of four conversations about books and writers with chairman Robert Robinson and writers Anthony Burgess, Germaine Greer, Susan Hill, and Adam Mars-Jones.
5.00 Shakespeare In Perspective. Russell Davies introduces tomorrow's play "Two Gentlemen Of Verona."
5.25 Mame. The 1974 musical starring Lucille Ball and Robert Preston.
7.15 A Life In The Theatre: Gwen Ffrangcon-Davies. Critic James Agate claimed: "If Miss Ffrangcon-Davies is not the best actress in England there is certainly none better," after her performance in Richard of Bordeaux in 1932. Now 92 the actress talks vividly about her theatre career.
8.05 News Summary.
8.10 Dance International. Last of six programmes in "Romeo And Juliet" with Rudolf Nureyev as Romeo and Margot Fonteyn as Lady Capulet dancing to Nureyev's own choreography with the ballet of La Scala Milan, recorded on the floor of a Milan sports stadium. Music by Prokofiev.
10.35 The Ipcress File. Michael Caine in the 1965 spy film directed by Sidney J. Furie.
12.15 Closedown.

LONDON

6.25 am Breakfast television.
9.25 The Sooty Show. Presented by Matthew Corbett.
9.45 The Talking Parcel. Cartoon fantasy.
10.25 The Bugs Bunny and Road Runner Movie. A new cartoon film comprising five complete Bugs Bunny shorts as well as scenes from 24 other cartoons.
12.00 pm Take over. Introduced by Brough Scott. Could you land a DC-10 in an emergency? Could you drive a London bus? Jenny Lee Wright, Richard O'Sullivan and Isla St Clair captain three teams made up from the general public to find out.
1.00 News.
1.05 Racing from Kempton. Covering the 1.10, 1.40 and 2.15 races.
2.80 "The Scarlet Pimpernel." Starring Anthony Andrews, Jane Seymour.
5.10 ITN News and Sport.
5.30 Give Us a Clue.
6.00 Coronation Street.
6.30 The James Bond Film: "The Spy Who Loved Me." Starring Roger Moore, Barbara Bach and Curt Jurgens. James Bond is assigned to save the world from the evil Stromberg.
8.45 Eric and Ernie's Christmas Show: With guests Gemma Craven, Nigel Hawthorne, Derek Jacobi, Felicity Kendal, Burt Kwauk, Jennie Linden, Fulton Mackay, Tony Monopoly, Patrick Mower, Nanette Newman and Peter Skellern.
9.45 Minder.
10.45 ITN News.
10.50 Des O'Connor Tonight.
12.00 "The Fortune." Starring Jack Nicholson and Warren Beatty with Stockard Channing. A comedy about a pair of bumbling con-artists who lure an heiress from her father's Long Island mansion.
1.35 am Night Thoughts.

CHANNEL 4

10.35 am Animated Fables. Antoinette Moses, director of the Cambridge Animation Festival, introduces first of four-part festive series of animation from around the world.
11.05 A Swarm in May (1983 film). Drama, made by Children's Film Unit about a 10-year-old-boy at a rural cathedral school who restores an ancient church tradition.
12.30 pm The Adventures of Tom Sawyer (1938 film). Classic film of the Mark Twain adventures, with Tommy Kelly as Tom.
2.00 A Rough Stage. A century of "grass roots" entertainment. Narrated by Maureen Lipman.
3.30 Christmas Cartoon Carnival.
4.00 Charlie Chaplin: The Little Tramp. Joel Gray looks at the start of Chaplin's screen career, with scenes from his early films.
4.45 The Sleeping Beauty. The Kirov Ballet.
6.55 News Headlines and Weather followed by Home — British and Jewish too.
8.00 From Mao to Mozart. Based on violinist Isaac Stern's visit to China in 1979.
9.30-1.45 am Renaldo and Clara (1977 film). Mix of music and improvised drama, filmed during Rolling Thunder Revue Tour, directed by and starring Bob Dylan.

S4C (WALES)

12.35 pm Noah 12.50 A Wee Bit Cheeky 1.45 Feature Film: "Monsieur Hulot's Holiday." 3.15 Fragile Earth. 4.10 Owylo I Fyny 4.40 Feature Film: "King of Comedy" 6.30 Ser. 7.00 Newyddion Saith. 7.15 Hapnodolig. 8.00 Gaucho 10.00 Rygbi. 10.30 Tadada 11.10 It's Got To Be Funny Hasn't It.

CHRISTMAS EVE

Prof Wallofski a.k.a. Max Wall, Channel 4.

Saucy postcard artist Arnold Taylor is profiled on Channel 4 at 6.00.

Switching to Channel 4 and BBC2

BY CHRIS DUNKLEY

FOR THE more demanding viewer who is really not interested in all those Christmas "specials" which singers and comedians record these days just before leaving for summer holidays the difficulty in the next three days will be in avoiding them.

As they and their interchangeable "guests" come at us like grapeshot (starring in *The Krankies at Christmas* on ITV at 4.30 today is Irish comedian Jimmy Cricket, whereas *The Little and Large Show* at 6.30 on BBC1 features Irish comedian Jimmy Cricket) the trick is to duck, weave and sidestep. The question, however, is which side to step, BBC2 or Channel 4. Here are a few suggestions.

At 2.55 BBC2 starts a short series of *The Book Game*, chaired on successive days by Robert Robinson with Anthony Burgess, Germaine Greer, Susan Hill and Adam Mars-Jones listening to extracts from books read by Freddie Jones and trying to identify the writer and the specific work.

For lovers of "proper" popular songs, with lyrics that scan and rhyme and hummable tunes complete with verses and a middle eight—the sort of thing used by Dennis Potter in Pennies from Heaven—Channel 4 presents *Unforgettable Swingtime* at 4.35 with Coronation Street stalwart Pat Phoenix introducing 1950s singing stars Ronnie Hilton and Kay Starr performing numbers that were popular between the 1920s and the early 1950s.

At 5.00 the BBC Shakespeare Series turns the bend into the home straight when BBC2 screens the 30th of the 37 plays: *The Comedy of Errors*. The two sets of twins are played by Michael Kitchen and Roger Daltrey. Other members of a fairly starry cast include Cyril Cusack as Aegeon, Wendy Hiller as his wife Aemelia and Charles Gray as the Duke of Ephesus.

If even one of Shakespeare's lighter comedies seems a little heavy for Christmas Eve you may prefer Channel 4's *A Wee Bit Cheeky* at 6.00. This is actually the first in a new series called *Everyone a Special Kind of Artist* and it deals with Arnold Taylor, inheritor of the Donald McGill tradition, who has been producing saucy postcards for the seaside trade for more than 50 years.

The last five minutes of that overlap with The Sounds of Christmas in *Sky at Drury Lane* on BBC2 at 6.55, part of a concert recorded by the rockinsic group led by guitarist John Williams at London's Theatre Royal, Drury Lane, earlier this week.

That is followed by 10 minutes of news and then a repeat of the BBC's lyrical 1971 production of *Cider With Rosie* with Rosemary Leach playing the young Laurie Lee's mother.

Most interesting of all, perhaps, Channel 4 repeats *An Evening with Max Wall* at 8.30 and follows that at 9.30 with a new biographical portrait of the comedian called *It's Got to be Funny Hasn't It*. Reporter Peter Williams interviews the eccentric dancer, one-time music-hall bill-topper, star of The Pyjama Game and Waiting for Godot and reveals a life which has swung literally from rags to riches and most of the way back again.

BBC 1

8.35 am Inch High Private Eye. Cartoon series.
9.00 From All Of Us To All Of You. Selected sequences from Walt Disney's animated features.
9.45 The Happy World of Hanna-Barbera.
10.50 A Connecticut Yankee At King Arthur's Court. 1949 feature film, starring Bing
12.30 pm Bonanza.
1.20 Around The World With Dot. A Christmastime adventure in colourful animation.
2.30 The Magic Of Lassie. Spectacular 1978 musical adventure, starring James Stewart, Mickey Rooney.
4.10 The Dukes Of Hazzard.
5.10 Some Mothers Do 'Ave 'Em. Repeat
5.55 Pop Quiz.
6.30 The Little and Large Show.
7.10 Flash Gordon. 1980 feature film with Sam Jones as Flash, Max von Sydow as the evil Emperor Ming and Brian Blessed with wings as Vultan.
8.55 Val Doonican's Christmas Party.
9.40 Bergerac.
10.35 News and Weather.
10.45 The Good Old Days. A Christmas celebration from the City Varieties Theatre, Leeds, with Danny La Rue.
11.45 Midnight Eucharist For Christmas. From the Cathedral Church of St Mary The Virgin, Blackburn.
12.45 Weather

BBC 2

1.05 pm Christmas Eve Matinee: Scrooge. Black and white 1951 movie, starring Alistair Sim.
2.30 Shakespeare In Perspective. Roy Hudd introduces A Comedy Of Errors.
2.55 The Book Game. New series. Robert Robinson presides over a conversational game about books and authors.
3.25 That Touch Of Mink. 1962 movie starring Cary Grant and Doris Day.
5.00 The Comedy Of Errors. Thirtieth in the BBC's complete Shakespeare series with Michael Kitchen and Roger Daltrey.
6.55 Sky At Drury Lane.
7.45 News and Weather.
7.58 Cider With Rosie. An An evocation of country life during the two world wars as seen through the eyes of the young Laurie Lee. Repeat.
9.30 Private Lives. Maria Aitken's guests reminisce about things which have special significance for them. Tonight's guests include Tracey Ullman and Kingsley Amis.
10.00 Whistle Test Presents. Simultaneous live broadcast with Radio 1 direct from the stage of London's Hammersmith Odeon.
10.45 To Catch A Thief. Cary Grant and Grace Kelly in a comedy thriller directed by Alfred Hitchcock.

LONDON

6.25 am Breakfast Television.
9.25 Metal Mickey.
9.55 Cartoon Time.
10.05 The Monster's Christmas.
11.00 The Smurfs' Christmas Special.
11.25 The Fraggles Are Coming.
11.30 Terrahawks.
12.00 Film Fun at Christmas. Starring Derek Griffiths.
1.00 pm Adam Ant—Prince Charming Revue.
2.20 Tweety Pie.
2.30 Jason And The Argonauts. 1963 movie with animated monsters in "Super Dynamation."
4.25 News.
4.30 The Krankies at Christmas Starring Bernie Winters.
5.15 CHiPs: Christmas Watch
6.10 Punchlines presented by Lennie Bennett.
6.45 3-2-1 . . . Dick Whittington hosted by Ted Rogers.
7.45 Cilla Black's Christmas Eve with Frankie Howerd, Graham Fletcher and, by satellite, The Bee Gees, Julio Inglesias and George Benson
8.45 News from ITN.
9.00 Hart to Hart. A Christmas Hart starring Robert Wagner and Stefanie Powers.
10.00 Agatha Christie's Murder Is Easy starring Bill Bixby, Lesley-Anne Down, Olivia de Havilland and Helen Hayes.
11.45 Midnight Mass from St Mary's Cathedral, Newcastle-upon-Tyne.

CHANNEL 4

†2.05 pm Major Barbara: George Bernard Shaw's 1905 social comedy. With Wendy Hiller, Robert Morley, Rex Harrison, Deborah Kerr, Robert Newton and Emlyn Williams.
4.35 Unforgettable Swingtime: Pat Phoenix introduces some of the most memorable swingtime music from the Twenties to the Fifties.
5.05 Brookside.
6.00 News Headlines followed by A Wee Bit Cheeky: Arnold Taylor's comic postcards.
†7.00 Stormy Weather. A musical extravaganza loosely based on the life and career of top-dancing star Bill "Bojangles" Robinson.
8.30 An Evening with Max Wall.
9.30 It's Got to be Funny Hasn't It? Max Wall reveals the pain and elation of a life that has spanned 75 years of showbusiness
10.30 The Worst of Hollywood presents Santa Claus Conquers the Martians.

S4C (WALES)

1.40 pm Slack on Black 2.35 The Amateur Naturalist. 3.00 The Tube. 4.30 Utopia Ltd. 5.00 Yr Awr Fawr. 6.00 Sgryffi. 7.00 Newyddion 7.15 Etorom Sywyd. 8.15 'Oolig Etto 'Nghymru Annwyl. 8.50 Rockers Roadshow. 9.35 Rygbi. 10.25 An Audience with Kenneth Williams. 11 50 Feature Film: Stormy Weather.

FILM GUIDE

Pick of the day is *To Catch A Thief*, one of the few 50s Hitchcock films that hasn't been sequestered for years like *Rear Window*, *Vertigo* and company. It's wonderful to see Grace Kelly here in such purling comic form and Cary Grant, currently being attacked by a hit squad of biographies claiming he's the world's worst misanthrope, is here the screen's best comic charmer.

Flash Gordon is the day's runner-up: exploding across the screen with merry special effects and much thumping music from Queen. The dialogue, unfortunately, proves that there are still few signs of intelligent conversation in Outer Space. "Flash, hurry up! We only have five minutes to save the universe" etc. (I quote from memory). Britain's Mike Hodges directed, for Dino di Laurentiis, and Topol, Max Von Sydow and Ornella Muti help fill out the cast. Sam Jones, in his first (and seemingly last) star role, plays Flash.

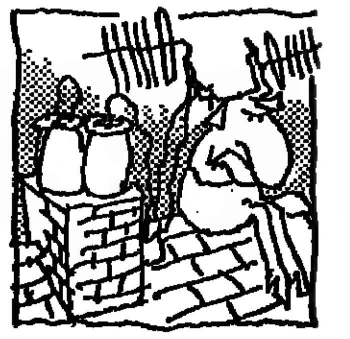
Channel 4 serves up something new to me called *Stormy Weather*, made in 1943 and "a

Doris Day, BBC2 3.25.

remarkable, not to be missed musical." A biopic of Bill Robinson (alias "Bojangles"), it spans 25 years of black song and dance and stars such as Lena Horne, Fats Waller and Bojangles himself. Also on 4 is another of the channel's execrably presented "Worst of Hollywood" series, which ruin a good idea by much ho-ho, nudge-nudge overkill. This film is called *Santa Claus Conquers The Martians*, a title which should speak for itself but I'm sure won't be allowed to.

Elsewhere it's a Christmas stocking kind of day. *Scrooge* has Albert Finney screwing his face up as Ebenezer and doing much the same for the film as he gives vent to Leslie Bricusse's unmemorable songs. Cary Grant is in sub-Hitchcock form in *That Touch of Mink*, partnered by Doris Day. And time has not been kind to *Jason and the Argonauts*. Better to watch *Major Barbara* and enjoy the acerbic Shavian attack of Wendy Hiller.

Nigel Andrews



CHRISTMAS DAY

Hits and myths of Christmas TV

BY CHRIS DUNKLEY

THE MOST popular beliefs about Christmas television are almost all myths. First there is the widespread assumption that Christmas audiences are the year's biggest. The idea seems to be that with families all gathered together indoors eating and drinking too much and with little else to do in between but watch the box the ratings must inevitably be the highest of the year. No doubt the hype that the broadcasters put behind their Christmas programmes helps to spread the notion that they expect particularly large audiences.

Yet the fact is that not a single programme on any channel during the three days of Christmas last year (Christmas Eve, Christmas Day and Boxing Day) even managed to crawl into the Top 50 for the month of December. That list was dominated as usual by Coronation Street and This Is Your Life which took 13 of the top 15 slots.

The month's top-rated programme was Coronation Street for December 22 which attracted 17.2m viewers. Bottom of the Top 50 was The Real World, which had an audience of 11.9m. All the Christmas programmes came below that. In other words, not one of the heavily promoted Christmas specials—not Christmas With Terry and June or 3-2-1 Christmas Special or The Two Ronnies Christmas Show or any of the others—managed to get within 5m viewers of the month's top programmes. The Two Ronnies actually managed 11.1m; more than 6m short of the Coronation Street episode in the No. 1 slot.


The BBC's ultimate weapon: All Creatures Great and Small.

The next fond belief is that the biggest attractions at Christmas are the movies, yet the ratings have been proving otherwise for years. Last year, between December 24 and 26, BBC1 and BBC2 broadcast 14 movies. Of those just two (Death On The Nile and 20,000 Leagues Under The Sea) made it to the BBC1 Top 10 and both were out-rated by episodes of the BBC's own series Tenko, The Two Ronnies, and Terry and June. ITV showed five movies over the three days and not one of them featured in the ITV Top 10. None of the 19 Christmas movies featured in December's National Top 50.

Nor was this some flash in the pan: the trend goes back at least 12 years. JICTAR figures giving the Top Tens for Christmas week show that there was no movie among the Top Ten in 1970 or 1971. In 1972 the highest rated movie was The Blue Max at No. 8. In 1973 El Dorado went to No. 3 with 7.1m homes switched on but The Benny Hill Show at No. 1 scored 9.15m homes.

In 1974 the highest rated film was The Most Dangerous Man In The World at No 6 and it was beaten by The Mastermind Final, The Likely Lads Special, Dad's Army, Bruce Forsyth And The Generation Game and The Dick Emery Christmas Show, all five television's own creations.

In 1975 even the blockbusting Butch Cassidy And The Sundance Kid only managed No. 4 with the Christmas editions of Porridge, Crossroads, and Dick Emery all ahead of it. In 1976 the highest rated movie was Hondo at No. 17; just about everything was ahead of it.

In 1977 there was again no movie in the Top 10 and although 1978 saw that famous biggie The Sound of Music wheeled out even this failed to top the ratings: it was beaten by The Morecambe and Wise Christmas Show. Similiary in 1979 To The Manor Born came top and Where Eagles Dare was second. Moreover there were no other movies in the Top 10 in 1978 or 1979.

In 1980 three of television's own Christmas specials came ahead of The Towering Inferno and in 1981 when the BBC sent out the greatest movie blockbuster of them all — Gone With The Wind — it failed to rise above No. 5 in BBC 1's own Top 10 chart, let alone the national Top 10. Thus movies are definitely not the biggest draw at Christmas.

Finally it seems to be widely accepted that the Christmas holiday is one of the great competitive testing grounds of the year: "BBC v. ITV — Who Will Win The Big One?" The fact is that the BBC have been winning it for years and it is my guess that they will do so again in 1983 in spite of their poor competitive showing throughout the autumn. They have a virtually unassailable BBC 1 schedule for peak viewing hours on Christmas night: The Two Ronnies followed by a special of All Creatures Great and Small and then Only Fools and Horses.

The open secret is that although the BBC do indeed put in a very big effort to dominate Christmas in order to show that they can prevail in the popularity stakes when they really try (provided they have the money) ITV is far more schizophrenic. Of course they would rather win than lose, but the Christmas period is quite abnormally unattractive to advertisers: by Christmas Eve the public has had its spending spree and the shops have shut.

In recent years there has been some holiday and travel advertising at Christmas, but for most of the commodities which usually fill the commercial breaks the days of Christmas with the high streets all closed down are death.

So contrary to the received wisdom Christmas does not provide a ratings contest which inspires both sides all that much; television's own programmes invariably prove more popular than the movies; and if last year's figures are anything to go by the Christmas ratings won't even be the best of the month let alone the best of the year.

All Creatures set to win

AS WITH yesterday's schedules, those who really relish watching television's stage army of "personalities" donning their paper hats, roguishly brandishing the mistletoe and metaphorically (probably literally too) batting one another around the ears with *pigs'* bladders will have no difficulty in satisfying their desires. Aerosol snow has been squirted over all the regular series from Rub-A-Dub-Tub which—with any luck—you will have slept through several hours ago (it went out at 7.00 am) to The Bob Monkhouse Show which is scheduled for 10.5 tonight on BBC. Tinsel has been lashed on to Top Of The Pops on BBC 1 at 2.00. Blankety Blank also on BBC1 at 3.15, Bullseye on ITV at 5.40, and Father's Day on Channel 4 at 7.15.

The Christmas special to beat them all, however, and the one that the nation will no doubt watch in the largest numbers is scheduled for transmission at 8.05 on BBC1. Like a rabbit producing a conjuror out of a hat Auntie has suddenly revealed a brand new self-contained 90-minute edition of All Creatures Great And Small—just about the most powerful first-strike weapon in the history of British television.

THE QUEEN

The Queen's Christmas message to the Commonwealth can be heard at the following times:
9.30 am Radio 1 and Radio 4
10.00 am Radio 2
1.00 pm Radio 4 (stereo)
3:00 pm BBC1 and ITV
6.00 pm Channel 4 (with subtitles)
9.50 pm BBC2 (with subtitles and sign language)

It is set in 1947 when James Herriot (played as before by Christopher Timothy) returns after demob to his wife and son and the daily round of a country vet. Everything seems to be as it was, but there are subtle changes: Tristan (Peter Davison) still plays practical jokes and smokes and drinks more than is good for him but he does seem to have benefited from his service training. Seigfried (Robert Hardy) is busy trying to get the practice off the ground again until he succumbs to an old flame, and James feels rusty in his old profession. One of the greatest attractions of this calm, pleasant, ineffably English series will be evident again tonight: location filming in the Yorkshire dales.

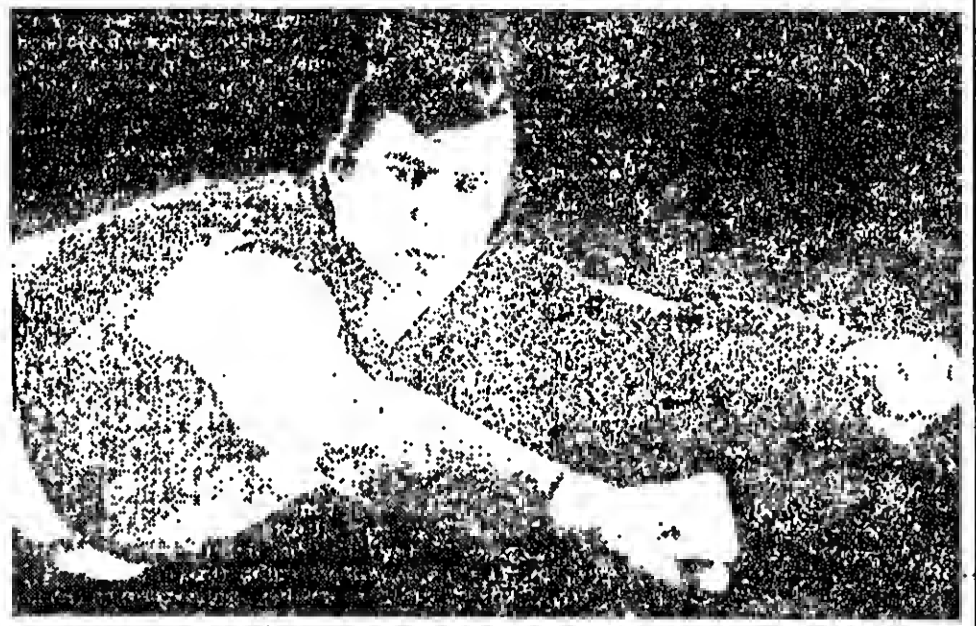
Among the more worthwhile programmes which may not be thrust at you with quite the insistence of the Christmas "specials" are a 2½-hour performance of Bach's Christmas Oratorio on Channel 4 which, however, is not at a very practical time, since it starts at 10.30 this morning; and a nature film about Alaska, also on Channel 4, at 3.25 this afternoon: the last in the Fragile Earth series.

At 7.15 BBC2 presents Glyndeborne's new production of La Cenerentola (Cinderella) the opera which Rossini began writing on Christmas Day 1817. He finished it at high speed, pinching some of the songs from his other operas, and completing the whole thing within a month. There is no glass slipper, no pumpkin or transformation scene, and no nasty stepmother in this version but there is a handsome prince, two silly step-sisters, Oandini, and of course Cinders herself, sung in this production by Kathleen Kuhlmann.

One of the most unusual, appealing and most easily overlooked of the day's programmes is Tadada on Channel 4 at 10.25. It consists of Peter Brook's Paris opera company giving a free vaudeville or music-hall show for the Parisians who live around the Bouffes du Nord. The camerawork is sometimes awful, and the performers could have done with a couple more rehearsals for their massed tambourine accompaniment to "Dear Old Dixie," but for sheer atmosphere and enthusiasm you are unlikely to find anything to beat it this Christmas.

Moreover, anybody who saw Hélène Delavault's superb performance as Carmen in Channel 4's recent transmission of Brook's opera and wondered whether it was a once and for all triumph should watch her here. Not only is she as vivacious and as vocal as ever she is clearly an abnormally talented comedienne, too.


Grandad, Del and Rodney in "Only Fools And Horses," 9.35 BBC1.

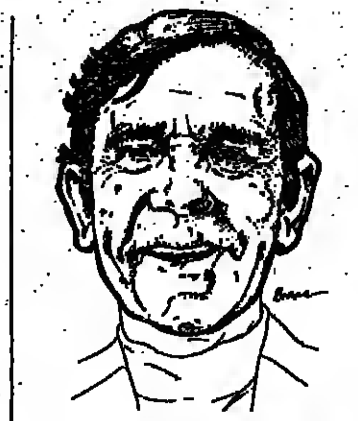

Is it a bird? Is it a plane? No, it's a blockbuster! ITV 3.15.


The Two Ronnies as Archie and Worzel Gummidge on BBC1 at 7.15.


Beryl Reid, 3.15

BBC 1

8.35 am The Christmas Racoons. Musical cartoon narrated by Rich Little.
9.00 Carols from Newby Hall. Christmas music from Newby Hall, Ripon, with Grace Kennedy, Robert White, Cambridge University Choir.
9.50 Away in a Manger. Children's stories, songs, pictures and thoughts about the Nativity.
10.20 Christmas morning family service from the Mint Methodist Church, Exeter.
11.17 Weather.
11.20 The Little Convict. A colourful animation adventure starring Rolf Harris.
12.35 pm Ziggy's Gift. Animated Christmas story about the magic of giving.
1.00 Bugs Bunny in "Abominable Snow Rabbit."
1.05 "Glitterball" (1971 film) starring Ben Buckton and Keith Jayne.
2.00 Top of the Pops 1983.
3.00 The Queen speaks to the Commonwealth.
3.15 Blankety Blank. Terry Wogan hosts a special Christmas edition of the comedy quiz game.
3.50 "Treasure Island" (1950 film) starring Robert Newton, Bobby Driscoll, Basil Sydney.
5.25 News.
5.35 Jim'll Fix It with Jimmy Savile.
6.15 Songs of Praise Special from Peterborough Cathedral.
7.15 The Two Ronnies. Ronnie Corbett and Ronnie Barker, with special guest Elton John.
8.05 All Creatures Great and Small. Based on "The Lord God Made Them All" by James Herriot, starring Christopher Timothy.
9.35 Only Fools and Horses. David Jason and Nicholas Lyndhurst.
10.05 News.
10.15 "Better Late than Never" (1983 film) starring David Niven, Art Carney, Maggie Smith. British premiere of Niven's last film.
11.45 The Spinners at York.


Norman Wisdom, 10.05

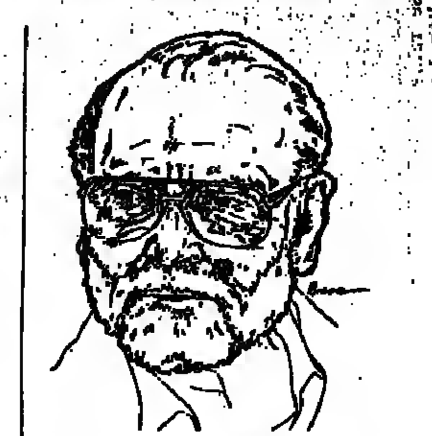
BBC 2

2.00 pm Nobody Minded the Rain . . . Impressions of Coronation Day. The story of Coronation Day and the preparations for it through the reminiscences of people who were there.
3.00 The Book Programme. Robert Robinson presides over the second conversational game about books and their authors.
3.30 The Great Palace: The Story of Parliament. Last of eight programmes looking behind the scenes of Westminster and Parliament.
4.20 Henry's Cat, "Christmas Dinner."
4.25 "Meet Me in St Louis" (1944 film). Judy Garland with Margaret O'Brien, Mary Astor, Leon Ames.
6.15 The Natural World. Winter Days. Award-winning cameraman Hugh Miles explores this challenging winter season for wildlife and shows their means of survival.
7.05 News.
7.15 Cinderella (La Cenerentola) by Gioachino Rossini. Opera in two acts. Last of three operas recorded for BBC2 at this summer's Glyndebourne Festival.
9.50 The Queen. Her Majesty speaks to the Commonwealth.
10.05 The Bob Monkhouse Show. Bob Monkhouse presents comic talent from around the world, including tonight Norman Wisdom.
11.00-12.10 am The Marx Brothers in "Duck Soup" (1933 film) starring Groucho, Chico, Harpo and Zeppo.


Jimmy Tarbuck, 7.45

LONDON

6.25 am Breakfast television.
9.25 The Night the Animals Talked.
9.50 The Fraggles are Coming.
9.55 Messengers to Earth.
10.20 Christmas morning worship from St Moula's Church, Belfast.
11.20 The Magic Planet.
12.15 pm The Capture of Grizzly Adams, starring Dan Haggerty.
2.00 The Royal Tour Year.
3.00 The Queen. The Queen's message to the Commonwealth.
3.15 "Superman" (1978 film) starring Christopher Reeve, Margot Kidder, Gene Hackman and Marlon Brando.
5.40 Bullseye Christmas Special presented by Jim Bowen.
6.25 News from ITN.
6.35 A Royal Concert of Carols. In the presence of the Prince and Princess of Wales.
7.15 Bruce Forsyth's Play Your Cards Right.
7.45 Jimmy Tarbuck's Christmas All Stars with Bruce Forsyth, Mike Yarwood, Max Bygraves, Cannon and Ball, Shakin' Stevens, Bonnie Tyler, Michael Barrymore, Jeremy Beadle, Henry Kelly, Matthew Kelly, Sarah Kennedy and, by satellite, Andy Williams, The Temptations, Robert Wagner and Stefanie Powers.
9.15 Revenge of the Pink Panther starring Peter Sellers, Herbert Lom and Dyan Cannon.
11.05 News from ITN.
11.15 The King's Christmas with The King's Singers.
†11.45 The Untouchables: Tunnel of Horrors starring Robert Stack.
12.30 am A Different Christmas with Gillian Reynolds.


Laurence Olivier, 11.10.

CHANNEL 4

10.30 am A Christmas Oratorio from the Cloister Church of Waldhausen, Austria.
†1.15 pm The Gang's All Here (1941). Rarely-shown musical containing some of Busby Berkeley's finest production numbers. With Alice Fay.
3.10 Skywhales. Imaginative animated film about a strange civilisation inhabiting a verdant mass of vegetation suspended in the sky and conversing in a strange and fascinating tongue.
3.25 Fragile Earth: How plants and animals have evolved to cope with the extreme conditions of Alaska.
†4.25 Monsieur Hulot's Holiday: Jacques Tati is the immortal M Hulot, whose holiday in a small seaside resort in Brittany turns into a comic riot.
6.00 The Queen.
6.15 Twice Nightly with the Barron Knights.
7.15 News Headlines and Weather followed by Father's Day Christmas Special: Guess Who's Coming's to Christmas Dinner.
7.50 Struggle: One Person One Vote.
8.25 King of Comedy: Jerry Lewis and Robert De Niro in Martin Scorsese's latest movie about an obsessive would-be stand-up comic who engineers a bizarre kidnap scheme in order to appear on a TV chat show.
10.25 Tadada: Peter Brook's Paris Cabaret.
11.10 Peace on Earth: Narrated by Dame Flora Robson; with readings by Laurence Olivier.

S4C (WALES)

10.30 am A Xmas Oratorio. 1.15 pm The Gang's All Here. 3.10 Skywhales. 3.20 Tua Bethlehem. 3.50 The Queen. 4.00 Buster Keaton, The General. 5.30 To A Fe. 6.00 Wil Cwac Cwac Y Wielen Dysgola. 6.05 Universal Studios. 6.55 Newyddion. 7.00 Pobol Y Cwm. 7.30 Rhaglen Hywel Gwynfryn. 9.20 Henllys Fawr, gan W. J. Griffith. 9.10 Deuwch ac Addolwyn. 9.40 Twice Knightly. 10.40 Father's Day Christmas Special. 11.10 Peace on Earth.

FILM GUIDE

No one surely could stay away from BBC2, which shows Judy Garland in glorious voice in *Meet Me In St Louis*, directed by her husband-to-be Vincente Minnelli, and the Marx Brothers serving up *Duck Soup*, somewhere deep in Freedonia. *St Louis* has Garland singing the title song and the trolley song, plus Margaret O'Brien and Halloween and Minnelli's sumptuous colour sense. *Duck Soup* has the three much-loved lunatics, plus Margaret Dumont, Louis Calhern and a pluperfect spoof of Ruritanian romance. The film was banned by Mussolini, which should be recommendation enough for anyone.

London Weekend unveils *Superman* at a judicious after-luncheon hour when no one will be going anywhere. Sit back and enjoy Christopher Reeve's flashing smile, flying cape and unorthodox use of telephone booths. If you've had enough after an hour, you can turn over to *Monsieur Hulot's Holiday* on C4, Tati's masterpiece of Gallic mime.

The evening rivalry on commercial TV is between *The Revenge of the Pink Panther* and *The King of Comedy*. The latter is Martin Scorsese's caustic epic of cut-throat careerism: with aspiring stand-up comic Robert De Niro trying to use chat-show celebrity Jerry Lewis as a stepping stone to stardom. Acidulous script, excellent performances. The Pink Panther film doesn't put up strong competition. Peter Sellers flails courageously in a weak Clouseau opus only redeemed by the detective's spirited impersonation of Toulouse-Lautrec and Inspector Dreyfus's dramatically premature release from the lunatic asylum.

For celebrants of the archetypal there is always Robert Newton, ah-harrhing and 'jim-ladding' away with many a dilated eyeball and squawking feathered friend in *Treasure Island*. Come to think of it, isn't there an inflatable parrot-on-shoulder in one of the Clouseau films? Six pieces-of-eight to the first correct answer past the post.

Nigel Andrews

Dee buys Ulster grocery chain in £22m share deal

BY DAVID DODWELL

Dee Corporation, the supermarkets group that was until recently called Linfood Holdings, has bought Ulster's second biggest grocery chain, along with the chain's wholesale supplier, in an all-share deal worth £22.8m.

It has bought the 20 supermarkets which make up F. A. Wellworth & Co., and its retail distributor, Broad-Fields. The two companies are understood to be privately controlled by the same family interests, but Dee would not disclose yesterday the identity of these interests.

Dee has issued 5.7m new shares to pay for the chain—a per cent increase in its issued share capital. Of these, 1.4m will carry the right to receive interim dividends payable on February.

The vendors are understood to have placed 1.4m of these shares. At the end of trading yesterday, Dee shares were unchanged at 388p.

Dee said yesterday that the two companies made profits before tax in the year to January 31 1983 of £4.69m, and that profits for the current year were expected to be higher. Net assets amounted to about £17.42m, with between £4m and £5m of this accounted for in cash.

Wellworth accounts for about one-eighth of grocery sales in Ulster, which has the highest per capita spending on groceries in the UK.

The deal marks the end of a busy year for Mr Alec Monk, chairman of Dee. In May he won a leap-frogging battle with Safeway to acquire 98 Key Markets stores from Fitch Lovell, paying £44.8m.

Since then, Dee has disposed of seven Key Markets stores—six of them to Mr James Gulliver's Argyle Foods—for £12.5m. It has also acquired two hypermarkets in the north of England for £4.6m, increasing its Carrefour hypermarket chain to eight.

The controversial acquisition of Key Markets has been vindicated by Mr Monk not just by recouping 28 per cent of the purchase price through subsequent disposals but by an immediate upturn in profits. In the 28 weeks to November 12 this year, Key Markets generated trading profits for the group of £3.3m—almost equal to Key Markets' full-year profits in the year to April 1983.

This strong performance helped to boost Dee's interim pre-tax profits to £9.24m, compared with £6.88m the year before. Turnover increased during the same period from £463m to £648.9m.

Broker quits F. Miller in protest

BY DAVID DODWELL

Greig, Middleton and Co. resigned yesterday as stockbrokers to F. Miller (Textiles) in protest against the terms of an agreed bid for the Glasgow-based supplier to Marks and Spencer from Nottingham Manufacturing.

Mr Mark Kemp-Gee, senior partner of Greig, Middleton, said yesterday the decision to resign had been taken after institutional shareholders accounting for over ... per cent of Miller's shares had expressed their surprise at the low level of the offer."

Miller's other stockbroker, ...ickers da Costa, said yesterday that they were aware of Greig Middleton's announcement "but did not want to comment further at the moment."

The all-share offer from Nottingham Manufacturing — with no cash alternative—values Miller at £11.3m, and each Miller share at 38.6p. Miller's shares were suspended ahead of the bid at 42p, and Greig, Middleton estimate the company's net asset value to be about 51p per share.

Mr Kemp-Gee was concerned at the limited information provided to shareholders in the circular outlining the Miller board's reasons for accepting the approach.

While acknowledging that the company faced difficulties compared with a buoyant past, he emphasised that Miller was still talking of pre-tax profits of £1.8m for the current year, that it had a strong *balance-sheet*, and *substantial* cash reserves. He said that institutional investors had felt the offer price did not adequately reflect this underlying strength.

Meetings are planned with Scottish institutions on January 4, and with English institutions on January 6, after which a decision will be taken on further action.

On Wednesday this week, Mr Frederick Miller, the chairman *of Miller, pointed to a fall in* profitability during the current year, and continued competition from cheap imported garments, and under-use of plant capacity as reasons for agreeing the Nottingham offer. About 85 per cent of the company's output is bought by Marks and Spencer.

He revealed that profits for the year to February 13 1984 are unlikely to be higher than £1.8m, compared with £2.4m last year. This ends a record of 10 years of unbroken profits growth.

Mr Miller said the outlook was "not encouraging," and added: "Even if the scale of the company's manufacturing operations were reduced, it would not be possible to restore former levels of profitability."

No one was available at Millar's Glasgow factory yesterday to comment on the resignation of Greig, Middleton, or of the institutional concern over the terms of the offer. The plant will remain closed until January 9.

Danish Bacon £0.75m loss

A FUTURE of "great uncertainty" faces Danish Bacon Company (DBC), if it remains an independent concern.

This warning is given in a circular which urges shareholders to accept an offer by Ess-Food, a Danish pig meat export association, for the shares that it does not already own.

Losses in the region of £750,000 before tax and extraordinary items, for the year to December 31 1983, are also forecast for DBC in the document.

For the first 32 weeks of 1983 this Hertfordshire-based food importer and distributor *reported losses* of £671,000 on sales of £115m.

It is proposed that the agreed acquisition by implemented by means of a "scheme of arrangement." DBC shareholders are being offered 115p cash in consideration for the cancellation of each "A" ordinary share, 85p cash for the cancellation of each preference, and 115p cash for each "B" ordinary share.

Foseco Minsep reorganisation

As part of continuing rationalisation of the Foseco Minsep group structure, Unicorn Industries (a division of Foseco) has sold to the parent company its 50 per cent holding *in* Carborundum-Universal SA, and to Minerals Separation (a Foseco subsidiary) its 12.7 per cent holding in Foseco Minsep BV (Netherlands).

Foseco Minsep BV remains wholly owned within the Foseco Minsep group.

The considerations received by Unicorn for these two shareholdings were £3.48m and £10.06m respectively, settled in cash.

The values of the holdings in the books of Unicorn were £161,000 and £5,501,636 respectively and net tangible assets of the two companies attributed to Unicorn at December 31 1983, were £3.75m and £9.9m.

U.S. buy-out of Ciro

Ciro Inc. of the U.S., through Kitcat and Aitken, is making a cash offer to acquire all the ordinary shares in jewellery retailer Ciro plc, that it does not already own. The offer is pitched at a price of $1.65 per ordinary 10p share.

On or before January 13, Ciro Inc. will exercise options to acquire 1,257,700 ordinary shares in Ciro plc (equivalent to 40.3 per cent of Ciro plc's capital), also at $1.65 per share. This will result in Ciro Inc. holding in aggregate 82.3 per cent of Ciro plc's equity, prior to acceptances of the offer.

Ciro Inc's U.S. advisors, Kitcat Aitken & Safran, said yesterday that Ciro Inc. had been set up with the purpose of acquiring as many shares in Ciro plc as possible. The options that Ciro Inc. is to exercise represent shares acquired from former major shareholders including the Swarovski Group and Mr J. P. Marque.

Kitcat Aitken & Safran added that the eventual possibility of one Ciro quote—in the U.S.—fitted in with the company's plans to expand its U.S. business, which currently accounts for about 28 per cent of revenues.

The offer announced yesterday will be unconditional in all respects. It is expected that the offer document will be posted to shareholders in Ciro plc as soon as practicable after the exercise of the options.

Virani buys further Belhaven shares

Virani Group, the hotel and property company run by Ugandan Asian businessman Mr Nazmu Virani, has bought a further 3.45 per cent of Belhaven Brewery, taking its holding to 27.31 per cent.

Belhaven's shares rose 1p yesterday to 33p after stockbrokers Astaire & Co. bought a further 750,000 shares taking Virani's stake to 5.94m shares.

Murchison paying 80c final as profits recover

BY GEORGE MILLING-STANLEY

SOUTH AFRICA'S Consolidated Murchison has given a real Christmas bonus to those shareholders who kept faith with the company over the last few difficult years, with yesterday's declaration of a final dividend of 80 cents (47p).

This payment brings the total for the calendar year 1983 to 100 cents, after last year's absence from the dividend list.

Murchison, part of the Anglovaal group of companies, produces antimony with gold as a by-product, and it seems likely that profits for the year to December 31 will stage a spectacular recovery compared with 1982's profit of R1.24m (£730,000).

The recovery in Murchison's fortunes has occurred on the back of a sharp rally in free-market antimony prices, sweeping cost-cutting measures and the higher gold price.

There had been speculation that Murchison might be forced to omit its final dividend this year, in spite of the first-half recovery which saw the payment of an interim dividend of 20 cents.

This speculation drove the share price down to a low for the year of 315p.

In recent weeks, by contrast, there has been a steady demand for the shares from South Africa, and this took the price to 825p yesterday in advance of the dividend announcement. This represents a rise of 235p in the past week and the highest level seen so far this year.

Over-the-Counter Market

1982-83 High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	132	—	6.4	5.2	7.1	9.3
158	117	Ass. Brit. Ind. CULS	134	—	10.0	7.5	—	—
78	57	Airsprung Group	76	—	8.1	8.0	21.7	21.7
46	21	Armitage & Rhodes	26	—	—	—	—	—
268	98½	Bardon Hill	266xd	—	7.2	2.7	10.9	22.1
54	53	Bray Technologies	54	—	2.7	5.0	9.7	10.6
200	200	CCL Ordinary	200	—	5.0	2.5	4.6	8.4
151	100	CCL 11pc Conv. Pref.	143xi	+ 1	15.7	11.0	—	—
270	100	Cindico Group	100	—	17.6	17.6	—	—
56	45	Deborah Services	51	—	6.0	11.8	27.3	44.3
182	77	Frank Horsell	182	—	—	—	7.6	12.6
171	75½	Frank Horsell Pr Ord 87	171	—	8.7	5.1	7.2	11.8
83	39	Frederick Parker	39	—	7.1	18.2	2.4	3.9
55	32	George Blair	33	—	—	—	—	—
100	50	Ind. Precision Castings	50	—	7.3	14.6	13.9	17.2
220	100	Isis Conv. Pref.	226	+ 2	17.1	7.5	—	—
117	47	Jackson Group	117	+ 1	4.5	3.8	6.1	12.0
227	111	James Burrough	235	—	11.4	4.9	13.0	13.4
300	275	Minihouse Holding NV	300	—	4.0	1.3	22.5	22.5
260	120	Robert Jenkins	120	—	20.0	16.6	13.9	9.4
83	54	Scruttons "A"	60	—	5.7	9.5	10.0	7.2
167	76	Torday & Carlisle	70	—	2.8	3.8	—	—
435	385	Trevian Holdings	435	—	—	—	8.9	8.1
29	17	Unilock Holdings	17	—	1.0	5.8	11.1	10.2
90	64	Walter Alexander	88	—	6.8	7.7	7.7	10.2
276	214	W. S. Yeates	242	− 2	17.1	7.1	3.7	7.7

Sketchley into bottom end of U.S. cleaning

By Charles Batchelor

Sketchley, the dry-cleaning and workwear rental group, is venturing further than most UK laundry groups have yet dared to go with the purchase of a U.S. nappy rental company.

It is paying $13m (£9.1m) for the nappy business of Blessings Corpn of Piscataway, based in New Jersey. Blessings claims to be largest company in its field with diaper rental services in 23 major U.S. cities.

Despite being the home of the disposable nappy the U.S. also has the most highly developed market for nappy rental services, according to Mr Thomas Adam, finance director of Sketchley.

M/C 54 7½ on S

Blessings' main customers are families with newly born babies although it also supplies hospitals and nursing homes. It regularly delivers clean bundles of nappies returning to collect the somewhat messier used article.

"It's a simple laundry operation, picking up the dirty diapers and leaving clean ones," said Mr Adam, in a comment most parents would regard as something of an understatement. Nappy rental already exists on a small scale in the UK but Sketchley says it has no plans to develop the market further. Blessings' diaper services division made operating profits of $2.3m on turnover of $27m in the year ended January 1 1983.

Sketchley has signed a letter of intent to acquire the division, but the deal still requires the approval of both companies' shareholders. It will be financed by a medium-term loan and Sketchley's existing cash resources.

Diaper services account for about half Blessing's business. The U.S. group now plans to concentrate on its operations which make plastic film and extruded plastic disposable products.

The Blessings purchase will give a further boost to Sketchley's growing U.S. operations which already account for just over one-third of total sales and slightly less than a third of profits.

In a separate deal, Sketchley has agreed to buy Embassy Cleaners, which has a chain of 117 dry cleaning retail outlets in Toronto and Southern Ontario, Canada, from Imasco Retail for C$8m (£4.5m).

Sketchley will pay C$4m from its own cash resources and raise the balance from a seven-year term loan facility in Canada. Its shares rose 3p yesterday to 404p.

Allianz bid gets 0.01% acceptances

Allianz Versicherung, the West German insurance group, has received acceptances from shareholders owning 0.01 per cent of Eagle Star, the UK insurer, taking its total holding to 30.01 per cent.

Allianz has added acceptances for 7,561 shares to the stake of 41.5m held before it announced its offer, it said yesterday.

The Allianz offer will remain open until 3 pm on December 30, although the company announced on Thursday terms of a new offer worth 675p a share, matching the earlier offer from its bid rival BAT Industries, the tobacco group.

hTe Takeover Panel this week set a 5 pm December 30 deadline by which both groups must have announced their final bids for Eagle Star. BAT Industries holds 1.5 per cent of the insurance company in the form of shares it has bought and for which it has acceptances.

Eagle Star's shares rose 5p to 720p yesterday.

Take-over bids and deals

On Thursday, Allianz, the West German insurance group, made another move in the long-running battle for control of UK composite insurance concern Eagle Star. In what was considered to be a holding operation, Allianz upped its bid by £14m to £934m, the equivalent of 675p per share, to match last week's bid from rival suitor BAT Industries. The Eagle Star share price remains well above the bids at 720p. Both bidders have another week to further increase their offers in the largest takeover battle in cash terms seen in the UK.

An informal Stock Exchange inquiry into dealings in International Paint's shares prior to the announcement that the company was in discussions with its parent Courtaulds prompted the latter into a seemingly generous share-exchange offer for the 12.2 per cent of International not already owned. The terms, five Courtaulds shares for three International, value the minority at nearly £19m and should ensure a smooth tidying-up operation.

Fresh negotiations have resulted in Ault and Wiborg, the loss-making chemicals, inks and paint concern, agreeing to a £4.7m bid from principal shareholder Sun Chemical of the U.S. The latter is offering 46p per share for the 52 per cent of A and W not already owned and dealings in A and W's shares resumed after a brief suspension at 44p compared with the pre-bid price of 33p.

In a major U.S. expansion move, Coates Brothers, the UK printing inks manufacturer, acquired the Colonial Printing Inks division of Millmaster-Onyx of New Jersey for £7.1m cash. Coates will fund the acquisition through borrowing.

Months of speculation about the future of the Rolls-Royce diesel engineering business ended on Tuesday when Vickers agreed to sell it to Massey-Ferguson, the Canadian farm equipment and diesel engine manufacturer, for £20m cash. The acquisition of the Rolls-Royce business will compliment the range of engines made by Massey's diesel engine subsidiary Perkins.

After requesting a halt to dealings in its shares last week, Kraft Productions, the loss-making furniture manufacturer, announced that it was at an advanced stage of negotiation with a group of investors about a possible bid for the *company*. News of the discussions is expected shortly.

Britannic Assurance made an agreed bid worth about £9m for Midland Trust based on the latter's net asset value. Together with acceptances already received and shares owned, Britannic can already account for 50.9 per cent of the Midland Trust equity.

Investors in Industry made a recommended offer of 57p per share for the 60 per cent of investment trust Edith it does not already own. The offer values the whole of Edith at £56m and follows lengthy negotiations, including an independent valuation of the latter's investment portfolio.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
Allnatt Lon Props	245†	237	220	98.00	Slough Estates
Ault & Wiborg	46*	44	33††	4.70	Sun Chemical
Bishops Grp Ord	291*	280	275	5.09	Booker McConnell
Bishops Grp A Nv	221*	210	245	7.74	Booker McConnell
Brkly & Hay Hill	9	9½	10½	2.61	Promotions House
Danish Bacon 'A'	115*	105	110	1.98	Ess-Food
Eagle Star	675†	720	528	933.69	BAT Inds.
Eagle Star	675*§	720	500	933.69	Allianz Verschrng
Edith	57*	56	47	55.95	Invs. in Industry
FMC	49*	46	48	4.90	Hillsdown Hldgs.
Francis Parker	50*	45	52	12.88	Tarmac Rdstone
Guildhall Prop	162†	155	132	0.99	Exent
Helical Bar	65*§	58	75	1.69	Slough Estates
Hoover (UK) Ord	240*§	237	215	18.34	Hoover (U.S.)
Hoover (UK) 'A'	235*§	232	205	28.69	Hoover (U.S.)
Ingram (H.)	65*§	255	80	1.02	Wasskon
Intnl. Paint	210§	202	162	18.88	Courtaulds
London Brick	120*	133	104	154.03	Hanson Trust
Maynards	250*‡	255	198	6.34	Lewis E. Cartier
Miller (F.)	36	38	42	5.18	Nottingham Mnfg
Rightwise	238§‖	190	200	2.57	Crosby House
Rosedimond Inc	57†	57	50	3.44	English Assocn.
Rosedimond Cpn	241	224	185	6.41	English Assocn.
Russel Bros.	100*	155	115	0.72	Mr N. Phoenix
Stenhouse	144§§	132	106	54.66	Reed Stenhse 'A'
Streeters	20*§	20	38½	1.15	Costain
Sunlight Serv.	285†	210	192	34.53	Brengreen Hldgs
Tecalemit	43§§	50	29	2.08	Siebe Gorman
Telfos	40*§	50	39	2.03	Plantation and Gen Ivs
Trust Securities	15*	56	46	4.69	Stockley Dev.
Twinlock	71*§	70	60††	15.17	Acco World Cpn.
UBM Group	139§§	125½	99	81.50	Norcros

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Unconditional. ‖ Loan stock alternatives. ** Based on 23/12/1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash.

Offers for sale, placings and introductions

Polly Peck—Raising £5.0m with a placing of new 0.5p per share.

Scrip Issue

Eldridge Pope—Two for one scrip issue.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings per share (p)		Dividends per share (p)	
Carlton Comm.	Sept	2,730	(1,790)	—	(—)	4.5	(—)
Chemring	Sept	1,300	(1,038)	31.1	(35.5)	7.8	(6.3)
Cifer	Sept	1,350	(861)	6.3	(5.4)	—	(—)
Cronite Group	Sept	1,230L	(80)L	—	(—)	—	(—)
Dewhurst Dent	July	136L	(33)L	—	(—)	—	(—)
Eldridge Pope	Sept	2,250	(1,670)	56.6	(38.8)	7.25	(6.0)
Grand Met.	Sept	295,200	(220,200)	33.4	(27.3)	9.63	(8.38)
Hardys & Hansn	Sept	2,680	(2,680)	25.4	(26.0)	9.3	(9.0)
Jackson, J & H B	Sept	3,580	(3,138)	10.9	(8.7)	0.95	(0.9)
Johnson & Firth	Sept	10,890L	(4,880)L	—	(—)	—	(—)
Kelsey Ind.	Sept	1,140	(1,260)	12.5	(16.7)	8.0	(8.0)
Kitchen Taylor	Sept	1,960	(1,340)	24.6	(14.5)	11.0	(11.0)
Kyoach, G &G	Aug	14L	(334)L	—	(—)	—	(—)
Lloyds & Scot.	Sept	22,400	(12,300)	7.6	(5.4)	3.87	(3.87)
Nash Industries	Sept	678	(414)	10.9	(8.2)	4.0	(4.0)
Nth. Brit. Steel	Sept	1,450L	(335)	—	(6.5)	1.11	(2.2)
Pict Pet.	Oct§	232L	(1,600)L	—	(—)	—	(—)
Polly Peck	Sept	24,700	(10,511)	283.3	(146.3)	—	(—)
United Spring	Sept	280L	(118)L	—	(—)	—	(—)
Western Selec.	Sept	405	(601)	2.3	(4.7)	2.5	(2.5)
Williams, John	Sept	1,600L	(1,660)L	—	(—)	—	(—)
Williams Lea	Oct	1,410	(1,110)	37.9	(36.7)	5.25	(5.25)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Austin, James	Sept	111	(204)	0.67	(0.67)
Batleys of York	Oct	696	(639)	0.5	(0.5)
Brit. Dredging	Aug	322	(22)	1.0	(—)
British Land	Sept	3,610	(3,400)	0.5	(—)
Capper Neill	Sept	4,100L	(1,300)L	—	(—)
Cluff Oil	June	691L	(2,230)	—	(—)
Crean, James	June††	2,020	(473)	4.13	(—)
Electric & Genl.	Nov	428	(312)	1.35	(1.1)
ERF	Oct	137	(612)	—	(—)
FMC	Oct	104	(416)L	—	(—)
Forminster	Oct	604	(758)	2.03	(2.03)
Gibbs Mew	Sept	485	(271)	1.1	(1.0)
Greene King	Oct	3,440	(3,125)	1.48	(1.3)
Halma	Oct	1,370	(853)	0.61	(0.51)
Harris, Philip	Sept	258	(197)	2.0	(2.0)
Highgate & Jsb	Sept	3L	(63)L	—	(—)
Highgate & Opt.	June	60L	(25)L	—	(—)
Illingworth Mrrs	Sept	1,110	(73)L	—	(—)
Jones, Edward	June	30	(63)L	—	(—)
Mansfield Brew	Sept	4,240	(4,310)	2.25	(2.1)
Marsin, Thmpsn	Sept	3,870	(3,550)	0.57	(0.51)
May & Hassell	Sept	1,290	(126)	1.6	(1.3)
Memory Comptr	Sept††	510	(340)	1.0	(—)
Milbory	Sept	563	(319)	2.45	(—)
Minet Holdings	Sept††	5,680	(4,870)	—	(—)
Monk, A.	Aug	1,140	(1,380)	2.0	(1.5)
Norcros	Sept	13,900	(12,510)	2.3	(2.08)
Parkfield Found.	Oct	68L	(86)L	—	(—)
Petbow	Sept	2,730L	(71)L	—	(—)
Reardn Smith Lne	Sept	468	(2,770)L	—	(—)
Real Time Cntrl	Sept	415	(407)	—	(—)
Scott's Resl.	June	115	(76)	—	(—)
Smith Bros.	Oct	802	(—)	1.0	(1.0)
Sterling Ind.	Sept	302	(415)	0.5	(0.5)
Stoddard Hldgs.	Sept	397L	(1,020)L	—	(—)
Snmric Clothes	Oct	94L	(34)L	—	(—)
Superdrug Stores	Sept‡‡	2,090	(1,640)	—	(—)
Sutcliffe Spkman.	Sept	124L	(159)L	—	(—)
Syltone	Sept	225	(59)	3.8	(3.6)
Transcont. Serv.	Sept	2,400	(2,250)	3.57	(3.57)
Trust Secs.	May	2,250L	(442)	—	(—)
Turnbull Scott	Sept	592	(950)L	3.0	(3.0)
Victoria Carpet	June	150	(100)	—	(—)
Wedgewood	Oct	2,860	(1,150)	2.25	(1.75)
Wheway Watson	Oct†	568L	(793)‡L	0.05	(0.05)
Willaire Systems	Sept	32L	(70)L	—	(—)

(Figures in parentheses are for the corresponding period.)

* Dividends are shown net pence per share except where otherwise stated. † For 18 months. ‡ Figures for year to April 3, 1982. †† In I£. ‡‡ Figures for nine months. § Figures after tax. L Loss.

Rights Issues

Bond Corporation is expected to acquire a stake of between 25 and 50 per cent in Airship Industries in the wake of a £7m rights issue.

Carlton Communications—To raise £7.74m by way of a one for five rights issue at 300p per share.

Jones, Edward Group is calling on shareholders for £1.37m in a rights issue of two ordinary shares for every three held, and 10 ordinary shares for every £3 nominal of *loan* stock 1996-98 at 32p per new share.

Sheafbank Property Trust—Rights issue to raise £308,000 on basis of two for five at 16p each.

BIDS AND DEALS IN BRIEF

Electra Risk Capital has made an investment of £502,500 in Thermal Conversions. This company was formed in May 1982 by Dunlop, the British Technology Group, and Ron Sherwen to exploit the thermal process technology developed by Mr Sherwen.

The company will be using the technology at Abernant Colliery in South Wales, where a new design of rotary kiln will be used to convert coal mine waste into lightweight aggregate which can be used for concrete and building blocks.

The process will also generate energy for sale as electricity and process steam. The main market for the product will be in the building and construction industry.

* * *

John Folkes Hefo has disposed of its wholly-owned subsidiary S. R. Tippett and Co, freight forwarder and export packer, for £120,000 to Charles Kendall and Partners (Holdings).

* * *

The acquisition by Dares Estates of a portfolio of properties from British Land has been completed and 5.71m new ordinary shares in Dares have been issued for cash to Real Property and Finance Corporation, a wholly owned subsidiary of British Land.

* * *

International Aeradio, which was acquired earlier this year by Standard Telephones and Cables, has purchased Adams Electronics, based in Crawley, Sussex, designer and manufacturer of a range of metal detection systems. IAL is a London-based International technical systems and services group.

The tender offer made by Investors in Industry (3i) for 650,000 ordinary shares in Meggitt Holdings, at 30p each, was accepted by shareholders, other than the directors (excluding Mr D. H. Clark), with an aggregate holding of 5,510 ordinary.

Under the terms of the offer, the vendors have tendered the shortfall of 644,490 ordinary to 3i, pro rata to their own shareholdings.

As a result of the offer, 3i now holds 866,668 Meggitt ordinary, equal to 19.99 per cent.

* * *

The shareholders of Coates Brothers have approved an increase in its borrowing limit and empowered it to buy back its 4.5 per cent £1 cumulative redeemable shares while the preference holders have sanctioned the borrowing limit rise. Thus the company's offer to purchase all its 4.5 per cent preference shares has become *unconditional*.

Valid acceptances have been received for 51.6 per cent of the stock and the offer remains open till further notice.

* * *

Gilbert House has agreed to acquire the whole of the issued share capital and property investment company Coventbrook. The consideration will be satisfied by the issue of 2.1m new ordinary shares of 10p each in Gilbert House.

The assets of Coventbrook consist of two uncharged properties in Covent Garden, London. The present income from the properties is approximately £29,000 per annum—the major proportion of which is from commercial tenants on long leases with upward rent reviews. Redbrook.

* * *

British Vita has acquired a 100,000 sq ft factory in the centre of Middleton which will help in the expansion of businesses currently based on the group's nearby manufacturing and headquarters complex.

It is intended to move Vita consumer divisions, continental quilts and pillows operations to the factory, and space vacated on the main site will be utilised for development of the consumer products, foam and rubber businesses. The plans involve investment of more than £2m in buildings and plant at both sites.

LONDON TRADED OPTIONS

Option		Calls Jan.	Calls Apr.	Calls July	Puts Jan.	Puts Apr.	Puts July
B.P. (*393)	360	40	—	—	3	—	—
	390	18	26	36	7	20	24
	420	5	18	24	30	40	46
	460	1	8	11	68	76	80
Cons. Gold (*494)	460	50	64	80	6	17	35
	500	22	38	54	27	38	50
	550	6	23	33	65	72	84
	600	1½	9	—	107	112	—
	650	1	4	—	157	160	—
Courtaulds (*126)	76	52	—	—	1	—	—
	86	42	—	—	1	—	—
	90	—	40	44	—	1	2
	96	32	—	—	1	—	—
	100	—	31	36	—	3	3½
	110	19	22	27	1	5	5
	120	10	14	19	3	6	7
	150	5½	8	13	7	9	11
Com. Union (*190)	140	53	56	60	1	1½	3
	160	33	38	41	1	6	7
	180	15	21	26	3	8	9
	200	4	10	13	15	19	23
G.E.C. (*175)	160	20	30	38	2	5	8
	180	8	18	24	11	15	18
	200	3	8	14	27	28	30
	220	1	3	7	47	47	47
	240	1	2	—	—	—	—
	280	1	—	—	—	—	—
Grand Met. (*338)	300	40	45	52	1½	5	9
	330	16	25	32	7	15	20
	360	3	12	17	85	33	38
	380	2	3	—	57	62	—
I.C.I. (*056)	420	240	—	—	1½	—	—
	460	200	—	—	2	—	—
	500	160	164	—	2	2	—
	550	110	114	122	2	4	8
	600	62	72	80	3	12	16
	650	18	32	48	14	28	38
Land Secur. (*868)	214	50	61	68	1	2	5
	236	33	39	46	2	2	4
	240	29	36	44	2	5	8
	257	17	24	30	4	10	14
	260	15	22	29	6	11	16
	280	5	12	18	18	23	25
Marks & Sp. (*219)	180	41	40	—	1	2	—
	200	22	27	30	1½	4	6
	220	4	12	16	4½	11	14
Shell Trans. (*550)	460	104	—	—	1	—	—
	500	64	74	82	2½	9	16
	500	24	36	50	13	22	30
	600	3	16	26	48	66	82
	650	1½	4	—	98	102	—

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
Barclays (*489)	420	75	82	—	3	6	—
	460	42	47	62	9	17	22
	500	20	30	40	26	40	45
	550	3	12	—	—	79	—
Imperial Gp. (*141)	110	32	33	—	0¼	1	—
	120	23	24	—	1	2	—
	130	14	16	19	2½	5	7
	140	6½	9	11	6	8	10
LASMO (*270)	240	49	60	55	7	12	18
	260	34	45	30	12	20	25
	280	20	30	35	23	30	35
	300	7	15	—	38	45	—
	330	2	7	—	65	68	—
	360	1½	5	—	—	—	—
	390	0½	1	—	—	—	—
Lonrho (*108)	90	21	23	24	1	2	2½
	100	11½	14½	16	3½	4½	6
	110	4½	7	8	5	9	11
P. & O. (*244)	180	67	—	—	2	—	—
	200	46	60	—	2	3	—
	220	31	39	—	3	7	—
	240	16	27	36	9	15	16
	260	7	17	24	22	26	31
Racal (*207)	180	34	42	50	2	4	7
	200	18	28	34	9	13	16
	220	7	16	24	20	24	28
	230	3	8	—	—	—	—
	250	1	6	—	—	—	—
	275	1	—	—	—	—	—
R.T.Z. (*587)	483	124	—	—	—	—	—
	500	107	—	—	1	—	—
	533	82	—	—	4	—	—
	550	67	82	92	10	22	28
	583	40	—	—	18	—	—
	600	30	47	82	28	42	52
	650	12	25	—	62	67	—
	700	3	11	—	—	—	—
Vaal Reefs (*$110)	90	22	35	26½	2	4	6
	100	14	18	19	5	8	9
	110	9	13	14	9	12½	14½
	120	4½	9	—	15	18½	—
	130	2	5½	—	24	27½	—
	140	1	2½	—	—	—	—

Option		Calls Mar.	Calls June	Calls Sep.	Puts Mar.	Puts June	Puts Sep.
Beecham (*318)	300	33	40	48	8	13	17
	330	13	20	28	20	25	30
	355	4	—	—	43	—	—
	385	2	—	—	70	—	—
Bass (*311)	300	23	30	37	9	14	20
	330	6	10	14	27	32	37
De Beers ($*737)	700	65	80	95	20	30	40
	750	40	55	60	45	55	65
	800	20	36	—	75	85	—
	850	6	—	—	120	125	—
	900	3	—	—	—	—	—
Guest Keen (*170)	160	25	28	31	4	6	10
	180	13	16	20	12	16	18
	200	4	—	—	25	—	—
Hanson (*260)	220	45	52	—	3	5	—
	240	29	37	41	6	11	15
	260	17	25	31	13	21	26
	280	9	16	20	30	33	36
Tesco (*168)	160	14	21	25	5	7	9
	180	6	9	13	18	21	23

Dec. 23. Total Contracts 1,258 Calls 856, Puts 402

* Underlying security price

RESULTS DUE NEXT WEEK

Company	Announcement due	Dividend (p)* Last year Int.	Dividend (p)* Last year Final	Dividend (p)* This year Int.
INTERIM DIVIDENDS				
Baldwin, H. J.	Friday	—	—	
Bermuda Intl. Bond Fund	Wednesday†	0.30	0.30	
Dollands Photographic Holdings	Thursday	—	—	
Energy Finance and Gen. Tst. Hldgs.	Wednesday	0.6	0.71	
London Private Health Group	Wednesday	—	—	
RTO Group	Wednesday	—	—	
Stavert Zigomala	Thursday	—	8.72	

*Dividends are shown net pence per share and are adjusted for any intervening scrip issue. † In cents.

BASE LENDING RATES

A.B.N. Bank	9 %	■ Hambros Bank	9 %
Allied Irish Bank	9 %	Heritable & Gen. Trust	9 %
Amro Bank	9 %	■ Hill Samuel	§ 9 %
Henry Ansbacher	9 %	C. Hoare & Co.	† 9 %
Arbuthnot Latham	9 %	Hongkong & Shanghai	9 %
Armco Trust Ltd.	9 %	Kingsnorth Trust Ltd.	10 %
Associates Cap. Corp.	9½%	Knowsley & Co. Ltd.	9½%
Banco de Bilbao	9 %	Lloyds Bank	9 %
Bank Hapoalim BM	9 %	Mallinhall Limited	9 %
BCCI	9 %	Edward Manson & Co.	10 %
Bank of Ireland	9 %	Meghraj and Sons Ltd.	9 %
Bank Leumi (UK) plc	9 %	Midland Bank	9 %
Bank of Cyprus	9 %	■ Morgan Grenfell	9 %
Bank of Scotland	9 %	National Bk. of Kuwait	9 %
Banque Belge Ltd.	9 %	National Girobank	9 %
Banque du Rhone	10 %	National Westminster	9 %
Barclays Bank	9 %	Norwich Gen. Tst.	9 %
Beneficial Trust Ltd.	10 %	R. Raphael & Sons	9 %
Bremar Holdings Ltd.	9 %	P. S. Refson & Co.	9 %
Brit. Bank of Mid. East	9 %	Roxburghe Guarantee	9½%
■ Brown Shipley	9 %	Royal Trust Co. Canada	9 %
CL Bank Nederland	9 %	Standard Chartered	‖ 9 %
Canada Perm't Trust	10 %	Trade Dev. Bank	9 %
Castle Court Trust Ltd.	9½%	TCB	9 %
Cayzer Ltd.	9 %	Trustee Savings Bank	9 %
Cedar Holdings	9 %	United Bank of Kuwait	9 %
■ Charterhouse Japhet	9 %	United Mizrahi Bank	9 %
Choulartons	10½%	Volkskas Intnl. Ltd.	9 %
Citibank Savings	¶10½%	Westpac Banking Corp.	9 %
Clydesdale Bank	9 %	Whiteway Laidlaw	9½%
C. E. Coates	9½%	Williams & Glyn's	9 %
Comm. Bk. of N. East	9 %	Wintrust Secs. Ltd.	9 %
Consolidated Credits	9 %	Yorkshire Bank	9 %
Co-operative Bank	* 9 %		
The Cyprus Popular Bk.	9 %		
Dunbar & Co. Ltd.	9 %		
Duncan Lawrie	9 %		
E. T. Trust	9½%		
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	10½%		
Robert Fraser	10 %		
Grindlays Bank	‡ 9 %		
■ Guinness Mahon	9 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 6.5%. 1-month 6%. Short-term £8,000/12 month 8.1%.

† 7-day deposits on sums of under £10,000 5%, £10,000 up to £50,000 5½%, £50,000 and over 7½%.

‡ Call deposits £1,000 and over 5½%.

§ 21-day deposits over £1,000 6½%.

‖ Demand deposits 5½%.

¶ Mortgage base rate.

The awful secret of Room 101

THE GRIMY, crumbling tower of the Securities Commissariat, still popularly known as the Stock Exchange, pointed up towards the leaden sky. Winston Smith, drawing his thin coat around him as inadequate protection against the bitter wind along Old Broad Street, hurried up the steps and through the glass doors.

On every wall inside huge posters were fixed, bearing the slogan: "The Big Bang is coming."

His office was on the 21st floor, in the Rulebook rewriting department. He took his place at bis desk, which was dominated—as were all the desks and rooms in the building—by a large television acreen.

Topic screens, they were called. The picture could be changed slightly, but it was impossible to turn the screen off completely. All day, endless columns of figures would appear on them, and sometimes urgent written messages would flash up in large letters.

Usually they referred to the latest despatches from some distant battle. The struggle had not always been the same, but one of the longest bad been a war between tbe German alliance and the British-American forces. Sometimes one side had appeared to be winning, then the other side would hit

The cunning way that the Rulebook was put together

back, culminating in a spectacular climax at the end of the previous year.

Winstnn sighed, put on his spectacles, and took the first piece of paper out of the in-tray. It was time to begin rewriting the Rulebook once again. It was a continuous process made possible by the cunning way that the Rulebook was put together in the form of looseleaf sheets.

Each page conld bealtered and then sent out to all Members who would replace an existing sheet which would be immediately destroyed. In this way, no physical record of the original rules would remain.

Suddenly the screen began flashing, and a hooter sounded. It was time for tbe Two-Minute Hate. On the screen appeared the face of Gordon Borrie, the enemy nf the Stock Exchange, who had once conducted a vicious five-year campaign against the stock market, but had eventually been driven off.

His present whereabouts were unknown. There were rumours that nowadays he was occupied fighting battles elsewhere, against accountants and vets. But it was necessary to be prepared at all times in case he returned to fight the Exchange.

A bell sounded the end of the Two-Minute Hate, and Winston turned his attention to the piece of paper. It sald: Rule 71. Limited corporate member. 49.9 per cent. Rectify.

Winston smiled with satisfaction. This would be a aimple task. He looked up Rule 71, and saw that it limited a single holding in a firm to 29.9 per cent. Quickly be changed it to 49.9 per cent, and put it in the out-tray. Within honrs a new page would have been printed and distributed, and the previous ruling would immediately be forgotten by all Members.

It was dangerous to remember anything that happened befnre this particular day in 1984—bnt Winston could not belp recalling that, not so long ago, the relevant figure bad been only 10 per cent. Then the council had begun to change, in many disturbing ways.

So far bad it cbanged that it was now proposing tn dismantle its entire structure of fixed commission rates on a single day—the so-called Big Bang.

What was more, the council bad decreed that members must act both as market makers and as brokers. Tbey must have two capacities—the so-called dualthink.

The most disturbing change of all had come only a few weeks before. Until then, the council had been waging a constant war against a sinister foreign organisation called Merrill Bache, which it was sald had been giving support to the hated Gordon Borrie himself.

But quite abruptly, the council bad made it known that it was now in alliance with Merrill Bache. Foreigners were welcome in the Stock Exchange. Winston knew how dangerous it was to oppose official policy, but he could not resist an act of rebellion.

Across the potepad on his desk he scrawled in large letters: DOWN WITH THE BIG BANG.

Quickly, he covered it up. If it were discovered, be would almost certainly be taken away and would be dismissed or even, if his crime were thought to be severe, become an unperson.

It was a fate that could befall even those of the highest ranks. For example, the senior Party official in charge of Stock Exchange affairs had changed with bewildering rapidity, and no adequate explanation bad ever been offered.

Nott, Biffen, Cockfield, Parkinson . . . none bad lasted long. Some had merely been switched to other positions, but Nott and Parkinson had been declared unpersons by the Party. No mention of them was now ever made, and it seemed hard to believe that they bad once heen people of great power.

Now yet another Party chief bad taken control, called Tebbit. Winston shivered at the thought that ha bad previously heen in charge of the slave labour camps.

Tebbit had brought in a sinister cadre of Thought Monitors to maintain total control over tbe Stock Exchange. Fanatical and highly trained, they came from the grim, windowless building of the Bank of England.

It seemed pointless to try to oppose the Council. Yet if only, somewhere, be could find a group of like-minded people who could plot to reverse the drift of policy.

At that precise moment his telephone rang. A mnffled voice spoke. "A mutual friend tells me you are unsettled where you are," it said. "I can offer you the chance to join a quite different organisation. I'll have a car downstairs for you in 15 minutes."

Winston's heart leapt. Could this be the Brotherhood he had heard about that opposed the Big Bang? This could be his chonce to strike a hlow against the Party and the Council.

Two men in dark coats hustled him into a waiting limousine. The car drove fast, but he caught glimnses of Fleet Street and the Law Courts. When it stopped, through the mist and driving rain he thought be could make out the outline of the Savoy Hotel, or the Strand Post House as it was now ralled.

Inside the norter was waiting for him. "You are expected, sir," be said, "in Room 101."

Room 101? The name struck a distant chord. In a hook ha had once read it was the place where your worst nightmares came true. Had he blundered into a trap?

Tbe two burly attendants pusbed bim into the lift and along tbe corridor to Room 101. There was no turning back. The enormity of his folly dawned npon him as the door burst open and the contorted figure of a young man in a striped City suit staggered out.

"I can't do it," gasped the tortured wretch. "I can't afford to take a pay cut!"

Now it was Winston's turn. Inside the room, he was momentarily distracted by several large pictures of Lord Forte, whirb were now all over the hotel. Then he was confrnnted by a middle-aged man with a broad but chilling smile, who strolled forward, holding out his hand. "Hi, Winston," he said in a strong American accent. "It's great to meet you. I'm O'Brien from Merrill Bache Ineroational."

So this was the secret of Room 101. It was not the base of the Brotherbood, bnt the interrogation chamber of the evil international organisation whicb was now in league with the Stock Exchange authorities.

Winston seemed to be pinned to his chair. On his desk, O'Brien had a large dial, which he turned tn the figure 100. Immediately Winston was racked by unbearable pain. "No, I can't take it," he cried.

"You're heing silly, Winston," snapped O'Brien.

Winston knew that resistance was no longer possible

"You know that's not the right answer." His hand hovered over the dial, then turned the needle to 200. A feeling of even greater agony flooded through Winston's body, but still he gritted his teeth and ahook his head.

"Very well," said O'Brien. "We'll try the maximum." The needle turned tn 300, at the end of the dial. Winston knew that resistance was no longer possible. "All right, I'll join you for £300,000 a year," he gasped.

A little later, Winstnn was outside. The rain bad stopped and rays of sunshine slanted through the trees along the Embankment and reflected off the water of the river. It had been a long struggle, but a strange feeling of tranquillity and contentment came over hlm.

In his mind he saw a vision of the future—of the sweeping away of the past, the collapse of barriers and the creation of vast new international financial conglomerates.

He had won the victory over himself. He loved the Big Bang.

The mystery of the missing truffles

By David Marsh in Paris

TRUFFLES are black, dirty and ugly fungi which grow under the roots of oak treea and are dug out by pigs drawn by the odour of a mysterious steroid found also in human sweat.

Alternatively, they are the "diamonds of the table," prized since ancient times for their gastronomic and aphrodisiac qualities (a centuries-old piece of folk-lore now confirmed by German sciantists).

Tossed into a plate of scrambled eggs or mingled with goose liver pate; a succulent shaving of truffle, emitting a dream-like fragrance (so tradition bas it) of musk, hutmeg and ozone, can turn a humble meal into a disb fit for kings and angels.

A shaving is about all even a king can afford. A 12.5-gram best quality specimen, the size of a 10p piece, from the region of Perigord in southern central France is selling this Christmas in London's Fortnum and Mason for £8.50—making it the most expensive food on earth, twice the price of caviar.

And worse—truffles are dying nut.

"People are eating rubbish. The situation is catastrophic. My advice to consumers is not tn buy them," bluntly says M Jean Grente, head of the INRA French Goveroment research centre in Clermont Ferrand.

M Grente, a roly-poly but sligbtly wistful man of 62, is the father of modern trufficulture. For more than 20 years, he has pioneered laboratory methods of cultivating truffles in order to bring, as he says "a little more happiness tn everyone."

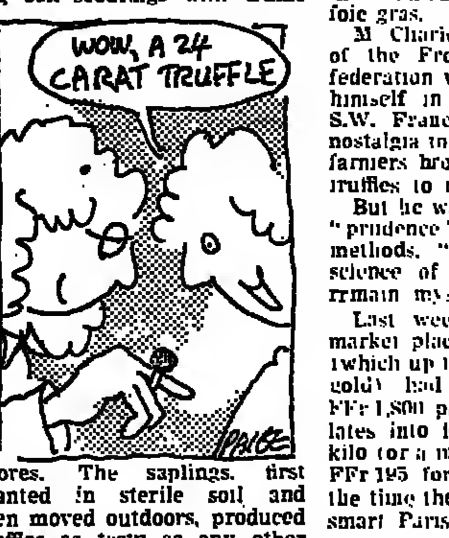
Tnday, the only people who are happy are the profiteers of the interoational truffle trade. Truffles are about the only agricultural commodity in the EEC in dramatically short supply, and the days when Alexandre Dumas, in a cook book published in 1873, could present recipes that began "take five or six good-sized truffles" seem unlikely to return.

The knobbly delicacies are the fruit of an underground mushroom which, under certain soil and climatic conditions, grows attached to the roots of oak, hazelnut or linden trees. For centuries, they were thoogbt of as supernatural phenomena—the product of thunderbolts or insect stings.

Man's attempts to cultivate truffles nearly always failed dismally. In nature, the chance of a truffle variety, as opposed to another of the myriad types of competing mushroom, growing in symbiosis with an oak tree is hundreds of thousands to one. So truffle hunting (aided by pigs or, more manageably, dogs) has always been a random business. But thanks mainly to the expertise of Frenchmen who lived a good deal closer to the soil theo nowadays, the truffle trade blossomed during the 19th and early 20th century before a decline set in after World War II.

Better times seemed on the way. This followed years of experimenting by M Grente, aided by his assistant, M Gerard Chevalirr—who is also an Infantry commander in the local soldiery and says truffles and the army are his "two loves" in life.

In partnership with Italian scientists, the INRA researchers perfected methods of inoculating oak seedlings with truffle spores. The saplings, first planted in sterile soil and then moved outdoors, produced truffles as tasty as any other after a growing period nf only around four years compared with the natural delay nf about a decade.



Nearly six years after the breakthrough, French truffles however are srarcer than ever. Traditional truffle growers—who knew how to cut back the wood and clear surrounding undergrowth—have drifted into towns, or died and taken their secrets with tbem.

And potential newromers to the business, in spite of the astrnnomical prices and the scientific methods within their reach, have been discouraged by the costs, the risks and the recession. Even a plague of voles has recently bitten the harvest. Far from princely annual production around 2,000 tonnes of quality truffles at the turn of the century, yearly output the growers in south-east south-west France is now more than around 20 tonnes. As a result of summer's drought which the wine harvest but can disastrous for truffle this year's crop—collected—again be very poor.

To meet demand gourmets — restaurateurs, canning industry, and export trade which does business with the U.S., Germany and the Middle East — France imports large quantities of truffles from Spain and Italy.

But because supplies short, unscrupulous middlemen probably pass off annually at least 100 tonnes of lower-quality mushrooms, shredded and even bits of old rubber for in "truffled" delicacies such as foie gras.

M Charles Parra, president of the French truffle-growers federation who harvests truffles himself in the Lot region of S.W. France, looks back with nostalgia to the days when farmers brought whole sacks of truffles to market.

But he warns of the need for "prudence" with the new methods. "You can't make a science of the truffle. It must remain mysterious."

Last week in the Perigord market place, the truffles price (which up to 1939 was linked to gold) had risen as high as FFr1,800 per kilo. This translates into FFr2,800 to 2,900 a kilo (or a much more expensive FFr195 for a 50 gram jar by the time the fungus reaches smart Parisian food shops).

M Grente estimates that to satisfy total potential demand of around 500 tonnes a year around 10m truffle-producing trees need to be planted on 20,000 hectares of limestone soil across France—an investment of around FFr1bn. He calls for more government subsidies.

The Italian truffle industry, based in Umbria and Piedmont and aided by regional grants and university research, has meanwhile adapted more quickly to the new methods. "They have more dynamism," says M Grente grimly. "In the next few years they will be selling truffles more cheaply than ours."

Weekend Brief

While Shepherd's Bushers watch by night . . .

Why have we no real Christmas cards in London W12? Has Scrooge won at last? Look at the shelves in the City, dominated by a large colour card of Elton John and the Watford Football Club and a montage of tennis racquets and cricket bats from Lillywhite's. Where are Santa Claus and Diekensiana?

Why have we no friends, except public relations people? Why did I cronch down 15 times the other evening to deliver Christmas cards to the inconvenient letter boxes of W12?

Let us say that the great postal strike of Shepherd's Bush—just called off—has soured nur Christmas. Nn mail fnr weeks, and I had to carry the greetings from Watford and Lillywbite's from my office at the FT in order tn give my bome the usual display.

But we're taking it very cool. After all, delivering your own Christmas cards isn't too mnch of a burden. But it was, I suppose, for the man the other night jogging in a track suit who was peering around local addresses and found himself at the wrong end of a 999 call.

For us fat cats, life goes on pretty well as before. There are no Christmas cards, but no bills either. We've just had a new hot water system installed and the Gas Board's bill for around £1,000 is somewhere in the post. In the meantime the money, lent by our building society, is lying nn deposit making us a few quid.

I bought a Christmas pint for a temporarily unemplnyed postman who didn't support the strike: "I'm losing a lot nf money this Christmas," he said. And this is a man coming up to retirement. "My Christmas tips are usually around £200, and nothing this year."

Then there is Mr Mike Flint, a local marine equipment wholesaler, who claims bis business is deteriorating so mnch since the strike began that he is threatening to sue the Post Office under a law that says the PO is obliged to deliver the mail.

The old-age pensioners wait for their Christmas parcels. And there is already a row over a local company whose rather crafty woman boss is alleged to have made "a private deal" with the Post Office to get ber mail delivered.

My own reaction this Christmas is to lie back and enjoy it.

The sorting office nightmare of a postal strike

It is nice to live in an independent state—*Passport to Pimlico* in reverse—where you don't get any good news or bad news, either. They say it will take two months to settle the backlog.

Then they will arrive, the bills, the credit card reckonings for the Christmas period, the cards and the letters from neglected aunts. It is said that the postman always rings twice. What will happen when he rings three times?

Footnote: I was mugged the nther day in Shepherd's Bush. The police recovered my credit cards and arrested a man, but haven't released them yet. So I may be reduced to a Christmas without credit cards or mail. A visinn of purgatory?

Videos losing out to board games in the U.S.

As an inventor of games Mark Eliot has bad mixed fortunes. Five years ago, with his then partner Brian Taylor, he invented Skirrid, a board game which sold well initially but from which he was subsequently parted after a somewhat acrimonious split with his financial backers. Two years later Eliot was back with the Pyramid Puzzle and Game. Again it did nnt realise tbe full potential be had hoped for.

Nnw, Eliot is foresaking invention for promotion. He has devised what be calls the International Video Game of the Year Competition, whicb is due to be launched on January 4. The idea is to encourage budding video game inventors around the world to compete with one another for a $100,000 first prize, plus a 10 per cent royalty on all sales of their game. Representing Eliot internationally, and in charge of negotiating licences with video game manufacturers, is the ubiquitous Mark McCormack's International Management Group, best known for marketing the likes of Angela Rippon and Michael Parkinson.

Prize money of $175,000 (there will be five $15,000 awards in additinn to the first prize) bas been put up by an offsboot of Ashley Industrial Trust, the majority shareholder in Eliot's company, Video Games Internatinnal. Ashley, a public company with diverse interests including plywood and pre-recorded video tapes distribution, is currently boping for a recovery from a first half 1982-83 loss of £115,000.

The competition comes at an interesting time in the video games market. Although games bave been selling like hot cakes in Britain this Christmas, the industry has been suffering some agonies in the U.S. Losses among major games makers like Atari have escalated as a result of overproduction in an increasingly crowded market. Also, declining interest has forced the closure of a number of video arcades in the U.S. and some parents and civic leaders have of late sought to ban video games as being harmful to children. At the same time tbere has been a noticeable rise in the popularity of traditional toys such as dolls—witness the craze for Cabbage Patch dolls—and hoard games.

Eliot is not disbeartened. He believes the competition will regenerate interest in video games and, most important, will flush out a winner which the video game makers will be only too eager to get their hands on. But they will have to wait awhile. The competition will not close until May 15, and winners will he revealed four months later in a planned TV Special which Eliot hopes to sell to TV companies around the world.

Red roses, bananas and gifts with a personal touch

Janet Bell knows the secret of what most businessmen want to give as gifts this Christmas—frilly knickers, suspenders, and black stockings. Miss Bell, 36, runs the Unirose gift service which fnr most of the year specialises in band delivering red roses in boxes or magnums of champagne among other fairly up-market gifts.

"But at Christmas we find that many businessmen among our clieots order some nf our sexier gifts to give to wives or girlfriends," she says. "I think that they prefer not to go into a shop and buy a suspender belt, for example, and many are even too embarrassed to ring us direct, so they get their secretaries to do it for them."

The most popular gift among the business world this Christmas, therefore, is a black rrepe cracker whirh opens—with a bang—to "reveal two pairs of pure silk knickers in scarlet and black." At a price of £19.75 plus delivery, these are selling like the proverbial hot cakes. Close behind in the popularity stakes with businessmen is a red box "tied with black tassles and containing two pairs of black super sbeer 15 denier stockings and a matching, adjustable suspender belt on a cushion of red satin."

All this is a far cry from the original concept of Unirose which was set up over a decade ago by an engineer working in Saudi Arabia. He found himself thwarted in bis attempt to send a single red rose in a box to a girlfriend in Britain—so he started his nwn red rose delivery business when he returned tn the UK shortly after.

There were sufficient romantics left in Britain for the service to create a profitable niche, especially around the peak times of Christmas and St Valentine's Day. However, it became clear that many people were willing tn pay for other gifts to be attrartively packaged and delivered, even if it meant paying more fnr the service. Gradually Unirose extended its range from red roses and rhampagne to other types of drink and its present range of over 50 gifts.

Janet Bell, wbo had been a repertory actress, used to work for Unirose in its tiny West London premises while "resting" hetween jobs. When the engineer whn founded the company derided to move to Devon to develop more marketing ideas in pleasant rural surroundings, she took over running the company, called Unirose Gift Services. She is now managing director and a substantial shareholder.

While single red roses are still sent out in their thousands each year, Miss Bell baa determinedly pursued the business community. "We do a lot of promotional work for companies, especially advertising agencies," she says. Last summer, for example, some 10,000 roses were sent out by Unirose on behalf of Fiat Cars as part of a major promotion. Bottles of drink are another favourite nf companies anxious to please clients and suppliers with a gift that has a personal touch.

But Miss Bell also caters for the more unusual requests. "We recently sent a bottle of champagne and a bunch of bananas to a company," she recalls. "We never did find out why."

Contributors
Alan Forrest
Nicholas Leslie
David Churchill

BUILDING SOCIETY RATES

	Share a/cs %	Sub'pn shares %	Others %	
Abbey National	7.25	8.25	9.00	2-year Bondshare, 90 days' notice and penalty
			8.25	High Option, 90 days' notice. No penalty
			8.25	7 days' notice. No interest penalty
Aid to Thrift	8.50	—	—	
Alliance	7.25	8.25	9.00	2 years, 3 months' notice/penalty
			8.50	28 days' notice. Imm. withdwl., 28 days' penalty
			8.25	7 days' notice. No interest penalty
Anglia	7.25	8.25	8.75	3-year Bond. No notice. 3 months' penalty
			8.50	Capital Share. No notire. 1 month's penalty
Bradford and Bingley	7.25	8.25	8.50	1 month's notice or on demand
			8.25	7 days' notice
Britannia	7.25	8.25	8.25	7 days' notice, 8.50 2 months' notice
Cardiff	8.00	8.75	—	
	*8.50	—	—	* Share account balance £10,000 and over
Catholic	7.50	8.50	8.50	6-month deposits. Monthly income
Century (Edinburgh)	7.75	—	8.75	2/3 years. Details supplied
Chelsea	7.25	8.25	8.75	Immed. withdrawal (int. pen.) or 1 mth.'s not.
Cheltenham and Gloucester	7.25	8.25	8.25	Gold account £1,000 + no notice no penalties. Monthly interest. £5,000 minimum. 8.57 if compounded
Citizens Regency	7.50	9.00	8.40	plus arrount no penalty. Double option 8.50
City of London (The)	7.50	8.25	9.00	6 months' notice—no penalty
Derbyshire	7.25	8.50	9.00	8.25 1 month's not., 7.75-8.60 3 months' notice
Greenwich	7.25	8.50	8.50	(max.) at 28 days' notice/penalty
Guardian	7.50	—	8.75	3 months, £1,000 minimum
Halifax	7.25	8.25	8.25	Xtra Interest, 7 days' notice, no penalty
			8.50	Xtra Interest Plus, 3 months' notice no penalty
			9.00	High Growth Bond, 3 months' notice/penalty
Heart of England	7.25	8.50	9.00	8.25 5-day Notice Account
Hemel Hempstead	7.25	8.50	8.75	3 year, 8.50 28 days
Hendon	8.25	—	8.75	3 months
Lambeth	7.50	8.75	9.10	28 days plus loss of interest, 8.25 3 months
Leamington Spa	7.35	—	8.50	Top Ten. 8.75 Linn Share
Leeds and Holbeck	7.25	9.00	9.00	2 years with monthly int. 8.50 1 month's pen.
Leeds Permanent	7.25	8.25	8.50	Ex. Int. £500 min., 28 days' notice/penalty
Leicester	7.25	8.25	8.25	3 months
London and Grosvenor	7.75	—	8.25	High Yield (1 month)
London Permanent	7.75	—	8.75	1-year term. Imm. wdl. with loss of 1% bonus
Midshires	7.25	8.25	8.25	7 days' notice, £500 minimum
Mornington	8.50	8.50	—	
National Counties	7.25	8.55	9.10	28 days' notice £500 minimum
National and Provincial	7.25	8.25	8.50	1 month's notice plus monthly income
Nationwide	7.25	8.25	8.75	Capital Bonds, 3 yrs., £500 min. wdl. with 90 days' loss or notice. Bonus account 8.25, £500 minimum withdwl. with 28 days' loss or notice
Newcastle	7.25	8.50	8.75	4 years, 8.25 28 days' notice, or on demand with penalty, 8.50 90 days' notice, or on demand with penalty
New Cross	8.25	—	8.25-8.75	on share accounts, depending on minimum balance over 6 months
Northern Rock	7.25	8.50	8.25	7-Day Moneyspinner, 7 days' not., wdl. no pen.
			8.75	Premium Moneyspinner on demand, 28 days' loss of interest on amount wdn.
Norwich	7.25	8.50	8.50	City Account, immed. withdls. with no penalty
Paddington	7.75	9.25	8.75	1 mth.'s not., or 1 mth.'s int. loss on sums wdn.
Peckham	8.00	—	8.25	1 month, 9.00 3 months' notice (no penalty)
Portman	7.25	8.75	8.75	Two month's notice, 8.25 no notice
Portsmouth	7.55	9.05	9.40	5 years, 9.00 6 months, 8.50 1 month
Property Owners	7.75	9.00	8.75	28 days, 8.75 3 months, 8.50 monthly income
Scarborough	7.25	8.50	8.25	Money Care and Free Life Insurance
Skipton	7.25	8.50	8.25	£1,000-£4,999 Sovereign, no penalties, no notice
			8.50	£5,000+, no penalties, no notice
Stroud	7.25	8.50	8.85	3 months, 8.25 1 month no penalty with notice
Sussex County	7.25	9.00	8.25	7 days' notice, 8.50 Sx. Sh., 7.50 Sh. a/c £2,500+
Sussex Mutual	7.50	9.00	8.75	1 month's notice/immed. with 28 days' penalty
Thrift	8.15	—	10.15	5 years' term. Other accounts available
Town and Country	7.25	8.25	8.75	3 yrs. ½-yrly. int. Monthly income wdl. facility
			8.50	28 days' notice or imm. withdrwl. with penalty
Wessex	8.30	—	—	
Woolwich	7.25	8.25	8.25	7 days' notice
			8.50	90 days' notice or on demand (interest pen.)
			9.00	2-year term, or 90 days' penalty (interest pen.)
Yorkshire	7.25	8.25	8.50	Diamond Key, 60 days' penalty or 2 months' notice without penalty

All these rates are after basic rate tax liability has been settled on behalf of the investor.

مكتبة الأصل

Phantom hours

BY ANTHONY CURTIS

Ghost Stories
collected by Susan Hill. Hamish Hamilton £7.95, 254 pages.

The Woman in Black: A Ghost Story
by Susan Hill. Hamish Hamilton, £7.95, 160 pages.

Christmas Spirits
edited by Peter Haining. William Kimber £6.95, 192 pages

The story had held us, round the fire, sufficiently breathless, but except the obvious remark that it was gruesome, as on Christmas Eve in an old house a strange tale should essentially be, I remember no comment uttered until somebody happened to note it as the only case he had met with in which such a visitation had fallen on a child.

No prizes, I fear, for correctly identifying the above as the opening sentence of *The Turn of the Screw*. It was originally intended to be published in serial form over Christmas in a magazine. A ghost-story had been more or less obligatory in the December issue of any magazine specialising in fiction since the days of Dickens, and by the 1890s there were a great many such magazines in both Britain and the U.S. "I was asked," James tells us, "for something seasonable by the promoters of a periodical dealing in the time-honoured Christmas-tide toy." What is remarkable about the final product is how strictly he stuck to the time-honoured requirements of the traditional spine-chiller while totally transforming the genre into a compelling work of psychological fiction.

In two new anthologies of ghost stories, in which we make agreeable re-acquaintance with several old ghostly friends, such as Dickens's "The Signal Man," Wilkie Collins's "The Dream Woman," M. R. James's "Oh Whistle, and I'll Come to You, My Lads," J. S. Le Fanu's "Green Tea"; neither includes the *Turn of the Screw*. Here are all shorter tales. The James story chosen by Miss Hill is "Sir Edmund Orme." In which the ghost is an old flame of the heroine's mother, whom she had "wronged"—by jilting him during their engagement after which he had committed suicide. Sir Edmund appears first in church of all places, some 20 or so years after his death, at the period when the narrator has begun to fall in love with the daughter. The ghost then appeared from time to time disconcertingly during a house party in the country. This is a story in which the eerie essence tends to become lost in the excessive amount of charm which every one in this *smart set, including* the ghost, seems to possess. But at heart it is about a notion treated by other modern ghost story writers such as Kipling and Charles Williams, the transference of guilt.

The New Zealand scholar of Henry James, E. A. Sheppard, has called attention to the ghost's surname—Orme. He points out that Orme Square in Bayswater had associations with Edmund Gurney, a founder member of the Society for Psychical Research, who committed suicide. Henry James once read a paper to the society written by his brother when he was too ill to do so himself. Other founder members of the Society included classics dons at Trinity College, Cambridge, such as F. W. H. Myers, with whom Henry James had stayed in college as a guest. Perhaps James owed more to the Publications of the Society than he cared to admit? After all, the character Douglas (as he is exclusively known), the owner of the governess's manuscript in The Turn of the Screw, in a sense the onlie-begetter of the tale, was an undergraduate at Trinity when he met her and fell in love with her.

The formation of the Society did not have the effect of killing off the flow of invented ghost stories. On the contrary, both psychical research and fictional ghost-stories proliferated side by side for several decades, even if they no longer do so today. As Julia Briggs, in her excellent study, *Night Visitors: The Rise and Fall of the English Ghost Story* (Faber, 1977) explains:

The end of the nineteenth century represents the high-water mark of the form. Between 1850 and 1930 or so it achieved enormous popularity and was patronised not merely by hack journalists but by many of the major writers of the day.

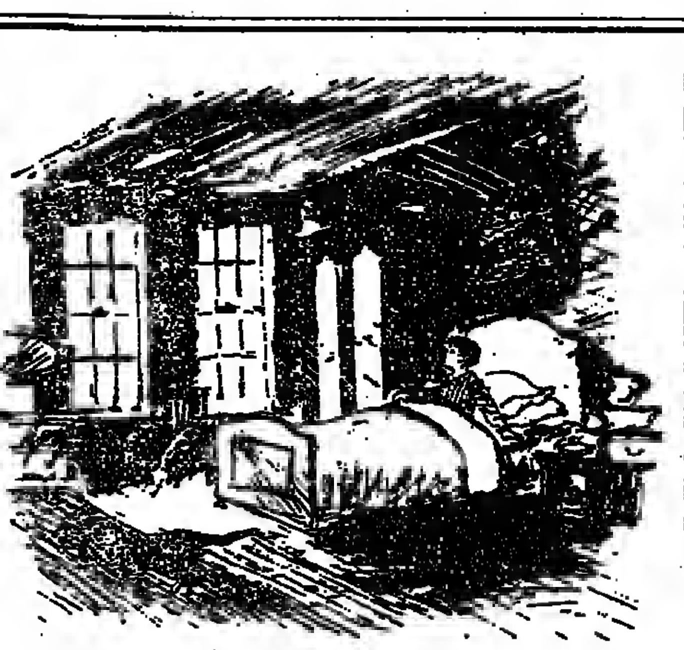
Are there any common characteristics within this massive body of work? "The combination," writes Mrs Briggs, "of scepticism with nostalgia for an older, more supernatural system of beliefs provides the foundation of the ghost story . . ." The ghost story flourished in the period of Darwin and it continued to flourish in the period of Freud. It was a particular favourite of the English clergy. James claimed that he took the anecdote of *The Turn of the Screw* from no less a cleric than the Archbishop of Canterbury (Edward White Benson) and although this source has been challenged by some Jamesian scholars, certainly the Archbishop's gifted family of three surviving sons and the daughter all made up ghost stories and told them to each other.

M. R. James, another great exponent, was the son and brother of devout Anglican clergymen before becoming part of the Establishment himself as Provost of King's. He entertained his donnish and clerical friends by reading his stories to them at Christmas-time before they were published.

Another King's don A. N. L. Munby continued the tradition. Mr Haining prints his creepy story "A Christmas Ghost." In its pre-war golden age radio gave the genre a lift by broadcasting ghost stories regularly. Both Miss Hill and Mr Haining give us a good story by that radio virtuoso, Algernon Blackwood. Only in our own period has the ghostly flow dwindled to a trickle.

It is therefore brave of Susan Hill to have a go herself at writing an original full-length ghost story. *The Woman in Black* now published alongside her anthology. Miss Hill takes the view that such a tale should not merely contain a vague sense of supernatural horror, but must concern a dead person who returns to haunt the living. Her own story does just that, set in a timeless period before the war when the trains ran on time and mad old women who lived alone made mysterious wills. It evokes a crumbling mansion surrounded by marshland somewhere in the middle of rural England. Miss Hill follows the guide-lines laid down by her masters with great exactitude: a Christmas eve opening for a frame; one malevolent female ghost who appears to the narrator; an innocent abroad, a fledgling lawyer; and a child or two to add further turns to the screw.

If the result is pastiche, it is pastiche of a high order which obeys yet another golden rule of the ghost story, that it should entertain. As in all the finest specimens, the setting is a palpable presence with its swirling mists and treacherous bogs. The appropriation to it by the author of two domestic animals, a terrier bitch, and a pony harnessed to a trap, would have earned full marks from the likes of Wilkie Collins and J. S. Le Fanu. I will say no more in case you have the good fortune to find the book among your presents.



Sleepless night—one of John Lawrence's illustrations for Susan Hill's ghost story "The Woman in Black"

Bards as pen pals

BY GAY FIRTH

Three Literary Friendships
by John Lehmann. Quartet Books. £8.95, 184 pages

"I make at once the confession that this process has always deeply fascinated me." There is a degree of precious prose, and a lamentable absence of professional publishers' editing in John Lehmann's sensitive, interesting essays on friendship between Byron and Shelley, Rimbaud and Verlaine, Robert Frost and Edward Thomas, seeking to show ways in which these poets influenced each other, in art as in life; sparking off some of the best in each other's literary gifts

Curiously, there is no mention of the Wordsworth/Coleridge friendship: the most potently productive, probably, in poetry since the Romantic Revival. But Mr Lehmann has a subtle eye for noting stimuli in the associations he has chosen for us.

Byron was already a literary lion, Shelley scarcely known outside his own bohemian circle, when they formed a friendship begun in Switzerland, cemented in Italy. But for Shelley's enthusiasm, Byron might never have finished *Don Juan*; but for Byron, Shelley's later work might miss the stamp of maturity and greatness.

Friendship between Rimbaud and Verlaine produced melodrama as well as poetry: Verlaine was imprisoned for the attempted murder of his boy-lover. Thomas, a struggling journalist, was Frost's most valid critic; his own best poems were written in the two years before he was killed at Arras, urged on as much by Frost's "perceptive persuasion" as by intense awareness of the war.

It is all very speculative, of course, but Mr Lehmann's own perceptive persuasion carries us along the chain of cross-fertilisation in each of the three friendships, picking up literary causes and effects with skill undiminished by a few faulty connections; it is *not* obvious, for example, that Byron and Shelley "were eager to meet again" at Shelley's lodgings in Pisa; the capricious Byron required a lot of wheedling.

Trainer George

BY KATE MORRISON

A Classic Connection: The Friendship of the Earl of Derby and the Hon George Lambton 1893-1945
by Michael Seth-Smith. Secker & Warburg, £9.95. 184 pages

In the days before UCCA, an aptitude and fondness for sport, especially the Turf at Newmarket was often adequate for Cambridge admission, and so it was with the young George Lambton, commonly known as "The Honourable George." He was especially fortunate in his tutor who neither encouraged him in scholarly endeavour, nor discouraged his sporting instincts.

By the end of a brief spell at Cambridge (and Newmarket) he had decided upon his life's course, and providentially was invited by Edward Stanley (later to become the 17th Earl of Derby) to train for him and his father.

Society was consequently surprised at Lambton's marriage with Cicely Horner, for her roots were in art rather than the turf. Her mother had been a favourite model for Burne Jones, who frequented the Horners' home and Cicely, also a beauty, was painted by John Sargent. Her father was a scholar and historian. In spite of her background she capably managed the training of Lord Derby's horses on the occasions of her husband's ill-health.

The book's chief interest is contained in the letters between Lord Derby and George Lambton. Perhaps age lends a distinction, for although not elegant the letters possess a courtly formality which would probably not be found in a similar practical correspondence today.

The author's text provides a plain background to this exchange; at times it is almost in diary form, galloping from one incident to the next. In June 1921 we commiserate with Lambton at his forlorn hope for the Derby. Six weeks and a paragraph later we learn the circumstances of Lady Randolph Churchill's death

There were, we gather, many happy times for both owner and trainer of one of England's greatest training establishments. In 1923 Lord Derby headed the winning owners' list and his famous Swynford headed the list of winning stallions. In 1924 he achieved one of his life's ambitions with Sansovino's Derby victory.

The letters continued in spite of Lambton's dismissal in 1930, and other vicissitudes in their friendship until Lambton's death. Although the main theme of the letters is Lord Derby's bloodstock interests, also included are some political asides from his lordship during two World Wars.

Colourless green ideas

In "The Oxford Minidictionary of Quotations," just published, (£1.95), there is a quotation from Professor Noam Chomsky's "Syntactic Structures" (1957). It reads: Colourless green ideas sleep furiously, and is quoted as, "An example of a sentence which, though grammatically acceptable, is without meaning." For a first prize of £50, and several lesser prizes, you are invited to compose not more than 100 words of prose, or 14 lines of verse, in which this sentence acquires a meaning.

Entries should be sent to the Literary Editor, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY. The closing date is January 17. Results will be announced in the Financial Times on January 28.

Death in the village

BY BRIAN AGER

All the Pretty People
by Jack Scott. Collins, £6.75. 198 pages

The Black Seraphim
by Michael Gilbert. Hodder & Stoughton, £7.95. 223 pages

The Woman they sent to FIGHT
by David Boggis. Macmillan, £6.95. 256 pages

The Pretty people are pretty ghastly. They are the privileged young of well-to-do parents, playing at life in a picture-book village. Then a youth is found murdered there. Enter Detective - Inspector Rosher, showing the clumsy deference he feels is due to respectable and wealthy members of the public.

Rosher bumbles along in his usual fashion, surprised as the respectability is stripped away from the murder victims' middle-class acquaintances.

Mr Scott's Detective-Inspector is an unlikely hero—a big shambling ex-boxer who is not above using a bit of excessive violence in the course of duty—but *All The Pretty People* can only add to his popularity.

A cathedral close might be regarded by the unknowing as an idyllic island of peace in which to escape the twentieth century. Anyone with a little knowledge of church politics will more readily accept Michael Gilbert's view in *The Black Seraphim*—it is a tight closed community with its own political infighting and intrigues.

When one senior cleric is struck down there are plenty of suspects as the young pathologist, who is recovering from overwork at the choristers' school, soon discovers.

This urbane, elegantly peopled mystery story is alive with delightful characters. Most notable is the Dean. A vigorous ex-missionary, with a subtle brain to back up a simple sense of right and wrong, he crosses swords with the police when they try to invade the close.

David Boggis has been described as a budding Ian Fleming or John Gardner.

His latest yarn has plenty of action and violence, plus a dash of sex. It starts with a frenetic car chase and ends with murderous air-combat.

Boggis charts the campaign of a women's guerrilla army—FIGHT. Its members are some of the most frightening females ever to adorn the pages of a thriller.

Up the Victorian garden-path

BY ROBIN LANE FOX

The Victorians and their Flowers
by Nicolette Scourse. Croom Helm, £10.95. 266 pages

Secrets of the Walled Garden
by Susan Campbell. Century, £7.95. 128 pages

In a Green Shade
by Richard Mabey. Hutchinson, £7.95. 186 pages

"Sometimes the ground is frozen up," runs the entry for December in Susan Campbell's interesting year-book, "at other times there are hard rains and thick, *stinking fogs* which render it very uncomfortable stirring abroad . . . ." There will be hosts of books tomorrow to save you the discomfort. These three take the mind on different journeys of which the best, though not the funniest, is Nicolette Scourse's.

Her pleasant book on the Victorians has some promising chapter titles — "Sentiment," "Morality" — and some well-chosen snippets from 19th century books. She changed tack quite often and her themes are rather compressed, but I liked her tour of the landscape and enjoyed her choice quotations.

Victorians loved the curious and minutely detailed plant, the greenhouse rarity, the orchid, the water lily and above all, the fern. They prized amateur botany and multiplied their Field Clubs. Their foreign collectors were intrepid: this book is good on the insects which molested them and the daily range of bites which attended explorations.

Leeches bit everybody and after a day in the field, a great Victorian botanist like Hooker was "streaming with blood, infested with ticks and mottled with the bites of gnats" and so forth. At home, botany was much easier. Ruskin advised the young to ignore the facts of plant reproduction because they were obscene processes. Apiaries and botany-albums diverted the young ladies, while Cobbett burst into an enthusiastic praise of the morality of greenhouses:

"How much better during the long and dreary winter for daughters and even sons to assist or attend their mother in a greenhouse than to be seated with her at cards or in the blubberings over a stupid novel or any other amusement that can possibly be conceived . . . ."

Ban the video, then, and get them weeding beneath the greenhouse-staging after Christmas lunch. Miss Scourse prints a splendid picture of Thereza Mary, grand-daughter of a Welsh gentleman, if you need to urge your family on. There she sits, her botanical press on her knees, her plain face gazing plainly at nothing in particular. She had just read a paper on the leaves of the hairy Cardamine to a very learned Society.

Susan Campbell sets out to write a yearbook of the walled kitchen garden, but tends to break these narrow bounds and deviate into other matters. She, too, is gathering historical snippets, not modern, practical advice, and sometimes produces a winner. Her entries for November show that we all failed to give the fruit trees what they needed last month. Masters of the kitchen garden advise a soaking of the roots of plums and apples with the "old pisse of old men." I now see what we mean by an O.A.P.

Baron von Liebig, an early biochemist, was a clever man, and insisted that his recipe worked. The annual urine of two men, he claimed, would feed an acre of land. Mixed with ashes, it produced a fair crop of turnips.

Lastly, Richard Mabey has gathered up pieces he has written recently for magazines and linked them as a continuing statement of his love of the British landscape and his hopes and fears for its future. The past 25 years have seen a frightful carnage in the British countryside and any voice against it deserves a wide hearing. As magazine pieces, his items do not follow through, but they have a pleasant swing and they are very well meant.

Policeman's lot

BY JAMES FRENCH

McNee's Law
by Sir David McNee. Collins, £9.95, 256 pages

Sir David McNee spent 16½ years as a constable before promotion to detective-sergeant. It was about another seven years before his career really took off. *McNee's Law* is a bit like that, run of the beat stuff until near the end, when he delivers a few weighty opinions that will provoke thought and debate.

The man who retired as Commissioner of the Metropolitan Police in 1982 was a Glasgow tenement boy, a railwayman's son, keen on the Boys' Brigade, football, and his religion. In his job he was an industrious stopper centre-half, not a brilliant maker or taker of goals.

In his five and a half years with the Met came the Southall and Brixton riots, the Grunwick dispute, the Iranian Embassy siege—all with strong elements of politics and race—the fiasco of the Operation Countryman inquiry into police corruption, and Fagan's invasion of the Queen's bedroom.

McNee confesses that the Fagan episode was the low point of his career. It came in the six months extra Home Secretary William Whitelaw had persuaded him to serve to smooth the succession.

For once Sir David admits to anger when Sir Brian Cubbon, Home Office Permanent Secretary, suggested he should resign — without the knowledge of Whitelaw (whose head was also being howled for).

McNee stood his ground. Had not his own suggestions on improving Palace security been spurned by the Royal Household, the Home Office, and the Department of the Environment? Should he pay the price for the negligence of two or three junior policemen? He was disappointed by a Whitelaw Parliamentary statement, but cheered by Prime Minister Margaret Thatcher's remark that you do not sack a general because a sentry has been caught asleep.

There is a fascinating vignette about the violent anti-National Front demonstration in Lewisham in 1977. A priest came to see him beforehand, berating the National Front but saying missiles were being stored for the day. When asked where, he blustered. Finally, he said he would be away in Spain on the day. McNee asked him if he was not acting like Pontius Pilate.

If a police chief wrote a sensational book, it could well indicate that there were a lot of things he did not do or say in office that he should have done. About the limit of Sir David's indiscretions are indications that he and Whitelaw did not always agree, and condemnation of the way some senior officers behaved in conducting the expensive Countryman exercise which brought about the prosecution of eight policemen, none of whom was convicted. He approves of Merlyn Rees; neither Sir Horace Cutler nor Ken Livingstone wins his vote.

Sir David McNee: from constable on the beat to Commissioner of the Metropolitan Police.

Moderately lower on Wall St

MODERATELY LOWER levels developed on Wall Street yesterday, when the stock market continued a correction that began on Thursday in light pre-holiday trading.

By mid-day the Dow Jones Industrial Average was off 1.83 to 1,251.53, reducing its rise on the week to 9.66, while the NYSE All Common Index, at $94.13, shed 14 cents on the day but was still up 27 cents on the week. Overall, declining issues led gains by about a seven-to-five majority. Volume was only about 43.17m shares.

ATT's Original stock, trading ex-dividend, dipped $1⅛ to $61⅜ on consolidated volume of 2.8m shares. ATT "when issued" held unchanged at $18 on turnover of 2.2m shares. Most of the ATT volume came in a block of 1.330m shares traded at $61⅛. A block the same size of ATT "when issued" traded at $18.

Public Service of Indiana, which fell sharply Thursday on concerns about its nuclear power plant, recovered $1 to $11⅞ in active trading.

Grumman fell $3⅜ to $26⅛—Thursday it disappointed analysts with a 1984 earnings estimate. Bear Stearns Inc lowered its recommendation on the stock.

Alleghany advanced $2⅛ to $63—American Express, up $⅛ at $32⅛ Thursday, improved the terms of the acquisition pact it signed with Alleghany.

Coleco improved $⅜ to $20⅜ after trading as high as $21—analysts expect the company to sign an agreement under which Honeywell will service its Adam computers.

THE AMERICAN SE Market Value Index was up 0.05 to 219.15, reducing its loss on the week to 0.47. Trading volume 2.48m shares.

Canada

Stocks edged higher at mid-session but the pace was slow as investors moved to the sidelines in pre-Christmas holiday trading.

The Toronto Composite Index was up 4.7 at 2,537.4, Golds 1.9 at 4,138.6, and Oil and Gas 11.8 at 3,412.3. But Metals and Minerals shed 3.3 to 2,476.3.

Exchanges in Canada will not reopen until next Wednesday.

Tokyo

Lower in moderate trading after profit-taking wiped out early gains.

The Market Average fell a further 25.25 to 9,684.17. Volume 480m (456m) shares.

International "Populars" opened firmer but eased on profit-taking ahead of the Christmas holiday and also in sympathy with overnight Wall Street.

Toyota Motor rose Y30 to Y1,460 after the U.S. Federal Trade Commission approved a joint venture between Toyota and General Motors for car production in the U.S.

Cable and Wire shares were in good demand on the Makers Association forecast Japanese optical fibre sales will reach Y50bn in the year to next March 31, after Y19.8bn in the first half-year.

Steels and Shipyards rebounded in the afternoon after a weak opening, following market belief business will pick up markedly next year. Foreign investors have been buying these shares recently and are expected to show renewed interest after the Christmas holiday.

Mitsubishi Electric shed Y1 to Y413, despite predicting record consolidated net income in the year ending March 31 1984.

Germany

Steady close after recovering from light profit-taking at the opening, following Thursday's surge.

In thin trading, the Commerzbank Index, at 1,031.7, was 2.3 down from Thursday's record high. Markets seemed undisturbed by West Germany's poorer than expected showing in November Trade and Current Account data published yesterday.

Banks were narrowly mixed. Engineerings were also mixed, though most closed off their mid session lows.

Steels benefited from the determination of the European Community to end subsidies and set up minimum prices.

...Insurer Allianz slipped DM 1 to 804—Thursday it matched BAT Industries rival bid for Britain's Eagle Star.

Paris

Firm in active mid-session trading. No major new factors were affecting sentiment but the All-Share Index rose 0.9 to a further record high of 153.8.

In mostly higher Foods, Bongrain gained FFr 70 to 1,900, but BSN eased FFr 10 to 2,630 against the general trend.

Banks, Financials, Cars, Constructions and Engineerings were all firm, as were Stores, where Redoute gained FFr 40 to 1,045.

Metals and Mines were also firm.

Electricals showed some profit-taking. Chemicals were mixed, while Oils were mostly lower.

In the Foreign sector, Americans, Dutch, Germans and Gold Mines were firm, while Oils were mixed and Japanese and Coppers eased.

Switzerland

Domestic prices finished actively firmer following the seasonal buying spree of the last two sessions.

In pre-Bourse dealings Hoffmann-La Roche "Baby" added SwFr 75 at SwFr 10,975, EMS-Chemie gained SwFr 50 to SwFr 1,050 and Rieter Registered were up SwFr 50 to SwFr 2,950, but Sprecher und Schuh lost SwFr 30 to SwFr 910.

Major Banks were mostly firm. Financials rose on selective demand and Insurances were led higher by Swiss Reinsurance Bearer, gaining SwFr 200 to SwFr 8,200.

Swiss Franc Foreign Bonds were slightly higher in moderately active trading, while Domestic issues were dull.

In the Foreign sector, Dollar stocks traded mostly above Thursday night's New York close. South African Gold Minings firmed, while Dutch Internationals held barely steady and Germans turned mixed.

Amsterdam

Mixed in a quiet shortened trading session. A relative absence of Foreign demand kept the Bourse generally quiet.

Small bouts of directionless buying and selling in a slack market sometimes produced large price movements.

Australia

Firm in more active trading, with gains outnumbering falls by almost two-to-one.

Central Norseman rose 30 cents to $A7.00, GMK 10 cents to $A10 and Poseidon 9 cents to $A4.68.

In a generally easier Oil sector, Ampol Exploration shed 5 cents to $A3.90 and Weeks Petroleum 10 cents to $A5.20, but Vamgas firmed 10 cents to $A3.50 and Claremont added 3 cents at $A1.98.

Industrials, Developers, Foods, Chemicals and Light Engineerings advanced, while Media and Heavy Engineerings lost ground.

News Corp fell 20 cents to $A10.00 while Cub traded at a steady $A3.85 on low volume and Elders shed 2 cents to $A4.33.

Hong Kong

Steady on sporadic book-squaring purchases ahead of Christmas.

The Hang Seng Index ended 3.74 higher at 867.30. Trading was moderately active towards the close, despite the lack of fresh factors.

Stock Exchanges will reopen December 28.

Singapore

Mixed on small buying interest and profit-taking in quiet pre-holiday trading.

Jacks International came in for some speculative interest, rising 45 cents to S$6.20 and Selangor Properties rose 35 cents to S$6.10.

Johannesburg

Stocks closed the half-day session on a firm note, with Golds advancing in quiet trading.

Closing prices for North America were not available for this edition.

Indices

NEW YORK — DOW JONES

	Dec. 22	Dec. 21	Dec. 20	Dec. 12	Dec. 16	Dec. 16	1983 High	1983 Low	Since Compil'tn High	Since Compil'tn Low
● Industr'ls	1253.66	1264.68	1241.87	1244.61	1242.17	1256.79	1287.20 (28/11)	1027.04 (3/1)	1287.20 (28/11/83)	41.22 (2/7/32)
H'me Bnds	89.55	69.50	63.46	69.37	69.38	69.41	77.84 (6/5)	60.85 (6/8)	—	—
Transport.	687.67	596.79	391.69	596.90	590.15	595.76	612.67 (22/11)	434.24 (3/1)	612.67 (22/11/83)	12.39 (8/7/32)
Utilities	130.44	131.17	130.78	136.54	131.02	151.56	140.70 (31/10)	119.51 (3/1)	163.32 (20/4/69)	10.5 (28/4/42)
TradingVol 000-†	106,260	106,080	83,740	75,130	81,038	88,300	—	—	—	—

● Day's high 1265.24 (1260.26) low 1246.65 (1240.24)

	Dec. 16	Dec. 2	Dec. 2	Year ago (approx)
Industrial div. yield %	4.54	4.47	4.46	6.36

STANDARD AND POORS

	Dec. 22	Dec. 21	Dec. 20	Dec. 12	Dec. 16	Dec. 15	1983 High	1983 Low	Since Compil'tn High	Since Compil'tn Low
Industr'ls	184.11	184.24	182.23	182.76	182.80	181.84	194.34 (10/10)	184.95 (6/1)	194.84 (10/10/83)	3.82 (30/6/32)
Comp's'te	165.27	165.56	162.00	162.82	162.39	161.67	172.65 (10/10)	138.34 (3/1)	172.65 (10/10/83)	4.40 (1/6/32)

	Dec. 21	Dec. 14	Dec. 7	Year ago (approx)
Industrial div. yield %	3.77	3.78	3.72	4.61
Industrial P/E ratio	15.37	13.33	13.55	10.99
Long Gov. Bond yield	11.78	11.80	11.68	10.45

FOREIGN EXCHANGES

Dollar eases

The dollar lost ground against most currencies yesterday on light profit taking and position squaring ahead of the Christmas break. Trading was extremely quiet and featureless which tended to exaggerate currency movements. The dollar closed at DM 2.7570 against the D-mark down from DM 2.7675 and SwFr 2.1955 compared with SwFr 2.2100. It was also lower against the Japanese yen at Y233.70 against Y233.80 and FFr 8.4375 compared with FFr 8.4550. On the Bank of England's figures, the dollar's trade weighted index finished at 130.3 from 130.5 on Thursday.

Sterling benefited from the dollar's weakness to close at $1.4320-1.4340, a rise of 55 points. The wide spread on the closing quotation reflected the very thin trading. Sterling opened at $1.4300-1.4310 and touched a best level of $1.4350 during the day although there was probably little business seen at this level. Its trade weighted index closed at 82.5, compared with 82.3 on Thursday. At noon the index stood at 82.4, down from the morning's calculation of 82.5. Against the D-mark sterling slipped to DM 3.95 from DM 3.9525 and SwFr 3.1450 from SwFr 3.1575. It was firmer against the Japanese yen however at Y335, up from Y334 and also improved in terms of the French franc to FFr 12.0850 from FFr 12.0650.

£ in New York—Latest

	Dec. 23	Previous
Spot	$1.4315-4330	$1.4610-4380
1 month	0.13-0.17 dis	0.14-0.16 dis
3 months	0.30-0.33 dis	0.31-0.34 dis
12 months	0.95-1.06 dis	0.96-1.01 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

Dec 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4250-1.4350	1.4320-1.4340	0.13-0.18c dis	−1.30	0.30-0.35dis	−0.91
Canada	1.7750-1.7875	1.7830-1.7860	0.07-0.17c dis	−0.81	0.25-0.35dis	−0.67
Nethlnd.	4.42-4.46	4.44-4.45	1½-1c pm	3.37	3¾-3¼ pm	3.15
Belgium	80.20-81.00	80.60-80.70	6c pm-4 dis	[illegible]	30-40 dis	−1.73
Denmark	14.26-14.26	14.27½-14.29½	1½-2½ore dis	−1.68	3¼-4¾ dis	−1.12
Ireland	1.2710-1.2790	1.2730-1.2750	0.30-0.36p dis	−3.11	0.85-1.00dis	−2.90
W. Ger.	3.94-3.96½	3.94½-3.95½	1¼-¾pf pm	3.04	3¼-2¾ pm	3.04
Portugal	189.25-191.25	190.25-190.75	125-310c dis	−13.70	460-970dis	−15.01
Spain	226.00-227.50	227.00-227.25	145-185c dis	−8.72	515-580dis	−9.64
Italy	2390-2405	2399-2401	15½-17½lire dis	−8.25	46-49 dis	−7.92
Norway	11.10-11.18	11.14-11.16	3¾-4½ore dis	−4.37	9½-10½ dis	−3.57
France	12.05-12.12	12.07½-12.09½	3¼-4¾c dis	−3.72	12¼-13¾ dis	−4.30
Sweden	11.51-11.61	11.57-11.58	2⅝-3¼ore dis	−3.04	6⅞-7⅝ dis	−2.60
Japan	333-336	334½-335½	0.65-0.55y pm	2.16	2.15-2.00 pm	2.48
Austria	27.75-27.90	27.85-27.90	7¼-5⅛gro pm	2.77	22½-17½ pm	2.86
Switz.	3.13-3.18	3.14-3.15	1½-1c pm	4.77	4-3½ pm	4.77

Belgian rate is for convertible francs. Financial franc 81.80-81.90. Six-month forward dollar 0.50-0.55c dis. 12-month 0.95-1.05c dis.

THE DOLLAR SPOT AND FORWARD

Dec 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4250-1.4350	1.4320-1.4340	0.13-0.18c dis	−1.30	0.30-0.35dis	−0.91
Ireland†	1.1200-1.1255	1.1240-1.1250	0.19-0.16c pm	1.87	0.60-0.52 pm	1.99
Canada	1.2445-1.2465	1.2455-1.2465	0.08-0.05c pm	0.63	0.12-0.09 pm	0.34
Nethlnd.	3.1010-3.1090	3.1015-3.1035	1.22-1.12c pm	4.53	3.20-3.05 pm	4.03
Belgium	56.28-56.40	56.30-56.32	par-1½c dis	−0.16	11-15 dis	−0.92
Denmark	9.97¼-10.01¼	9.97¼-9.97¾	¼ore pm-¼ dis	—	par-¼ dis	−0.10

[illegible]

OTHER CURRENCIES

Table of £ and $ rates for Argentina Peso, Australia Dollar, Brazil Cruzeiro, Finland Markka, Greek Drachma, Hong Kong Dollar, Iran Rial, Kuwait Dinar (KD), Luxembourg Fr., Malaysia Dollar, New Zealand Dlr., Saudi Arab. Riyal, Singapore Dollar, Sth African Rand and U.A.E. Dirham, with £ note rates for Austria, Belgium, Denmark, France, Germany, Italy, Japan, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United States and Yugoslavia: [illegible]

* Selling rates.

EXCHANGE CROSS RATES

Table of Pound Sterling, U.S. Dollar, Deutschemark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lira, Canada Dollar and Belgian Franc cross rates: [illegible]

MONEY MARKETS

Revised shortage

Day to day credit was in short supply in the London money market yesterday. The Bank of England forecast a shortage of around £500m although this was later revised to £450m. Factors affecting the market included maturing assistance and a take up of Treasury bills together draining £254m and Exchequer transactions a further £120m. There was also a rise in the note circulation of £192m. These were partly offset by bank balances brought forward above target by £90m.

The Bank of England invited early tenders for assistance and gave an initial round of help of £258m. This comprised purchases of £4m of eligible bank bills in band 1 (up to 14 days) at 9⅛ per cent and £82m in band 2 (15-33 days) at 9 per cent. In band 3 (34-63 days) it bought £48m of eligible bank bills at 8⅞ per cent and in band 4 (64-91 days) £123m at 8⅞ per cent.

The forecast was then revised to £450m before taking into account the earlier help and the Bank gave further help of £144m. This comprised purchases of £5m of Treasury bills and £28m of eligible bank bills in band 1 at 9⅛ per cent and £5m of local authority bills and £61m of eligible bank bills all in band 2 at 9 per cent. In band 3 it bought £16m of eligible bank bills at 8⅞ per cent and in band 4 £29m at 8⅞ per cent.

The forecast was revised once more to a shortage of £400m and the Bank gave no further assistance in the afternoon. In the interbank market short term money opened at 8⅞-9 per cent and rose initially to 9¼ per cent. Rates eased later in the day down to 1 per cent.

Three-month interbank money was quoted at 9⅛ per cent, down from 9¼ per cent, while three-month eligible bank bills were bid at 8⅞ per cent, unchanged from Thursday.

UK clearing banks' base lending rate 9 per cent (since October 4 and 5)

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Dec. 23 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	1-9¼	9-9⅛	9¼	1-9	—	—	—	—	—
2 days notice	—	—	9-9⅛	—	—	—	—	—	—	—
7 days or 7 day notice	—	9⅛-9¼	9-9⅛	9¼-8⅞	9	—	—	—	—	—
One month	9⅛-9	9⅛-9⅛	9⅛	9¼-9⅛	9	9	8⅞	9	8⅞-9	[illegible]
Two months	9-9⅛	8⅞-9⅛	9⅛	9⅛	9-9⅛	9	9	8⅞	8⅞	[illegible]
Three months	9-9	9⅛-9⅛	9⅛	9⅛	9-9⅛	8⅞	8⅞	8⅞	8⅞	[illegible]
Six months	9-9	9⅛-9⅛	9⅛	—	—	—	—	9⅛-9⅛	9-9⅛	[illegible]
Nine months	9⅛-9	9⅛-9⅛	9⅛	—	—	—	—	—	—	—
One year	9⅛-9	9⅞-10	9⅛	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Certs of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	9⅛-9⅛	—	9⅛	16.65-10.15	8-9⅛	8⅞-9⅛
Two months	9⅛-9⅛	—	9⅛	9.65-16.65	8⅞-9⅛	9⅛-9⅛
Three months	9⅛-9⅛	—	9⅛	6.6-16.6	9⅛-9⅛	9⅛-9⅛
Six months	9⅛-9⅛	—	9⅛	9.65-10.65	8⅞-9⅛	9⅛-9⅛
Nine months	9⅛-9⅛	—	9⅛	16.15-10.50	—	—
One year	8⅞-9⅛	—	10	16.5-10.4	9⅛-9⅛	8⅞-10⅛
Two years	—	10⅛	—	—	—	—
Three years	—	10⅛	—	—	—	—
Four years	—	11⅛	—	—	—	—
Five years	—	11⅛	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period November 2 to December 6 1983 (inclusive) 9.350 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rates (published by the Finance Houses Association): 9½ per cent from December 1 1983. London and Scottish Clearing Bank Rates for lending 9 per cent. London Deposit Rates for sums at seven day's notice 5¾ per cent. Treasury Bills: Average tender rate of discount 8.8612 per cent. Certificates of Tax Deposit (Series 6): Deposits of £100,000 and over held under one month 9¼ per cent; one-three months 9¼ per cent; three-six months 9⅛ per cent; six-12 months 10½ per cent. Under £100,000 9¼ per cent from December 14. Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 8 per cent.

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING 11.00 a.m. December 23

3 months U.S. dollars

bid 10 1/8 offer 10 1/4

9 months U.S. dollars

bid 10 1/4 offer 10 3/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

Table of Euro-currency interest rates for Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, D-mark, French Franc, Italian Lira, Belgian Franc (Conv. and Fin.), Yen and Danish Krone (Short term, 7 day's notice, Month, Three months, Six months, One Year): [illegible]

Asian $ (closing rates in Singapore): Short-term … per cent; seven days … per cent; one month … per cent; three months … per cent; six months … per cent; one year 10⅛-10⅜ per cent. Long-term Eurodollars two years 11⅛-11⅜ per cent; three years 11½-12 per cent; four years …; five years 12¼-12½ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1983 High	1983 Low
METALS					
Aluminium	£1060	—	£810/813	£1050	£910/813
Free Markets c.i.f.	$1580/1610	—	$975/1005	$1665/685	$995/102
Antimony					
Free Market 99.6%	$2500/9600	+50	$1825/1825	$2500/2680	$1750/850
Copper-Cash High Grade	£979.75	+14.25	£922.5	£1151.5	£907.75
3 months Do. Do.	£1004.75	+13.25	£946.73	£1177.26	£931.25
Cash Cathodes	£958.75	+10.75	£884.5	£1116.5	£899
3 months Do.	£984.75	+10.25	£912.5	£1145.5	£913.5
Gold per oz.	$380.125	+6.25	$445.5	$508.5	$373.876
Lead Cash	£279.73	+7.25	£285.5	£316	£237
3 months	£289.125	+7	£296.23	£328.125	£266.75
Nickel	£4813	—	£4133.5	£4838	£4384
Free Markets c.i.f. lb.	205/225c	—	160/190c	235/265c	162/192c
Palladium per oz.	$167.00	+5.6	‡	‡	‡
Platinum per oz.	£270.80	+2	‡	£318.95	£244.60
Quicksilver (76 lbs)	$303/318	−2.5	$350/360	$345/355	$267/285
Silver per oz.	617.85p	−6.55	660.10p	948.65p	560.25p
3 months per oz.	631.45p	−6.60	676.10p	873.10p	572.85p
Tin cash	£8382.5	−295	£7423.5	£9,290.5	£7392.5
3 months	£8542.5	−301	£7432.5	£9,281	£7402.5
Tungsten Ind	$74.70	−1.38	$102.80	$92.25	$78.17
Wolfram (22.04 lb.)	$70/40	+2	$78/82	$90/92	$67/72
Zinc cash	£603.5	+6	£410.75	£608.5	£423.5
3 months	£617.25	+6.75	£422.75	£623.125	£436.25
Producers	$980	+30	$800	$980	$750
GRAINS					
Barley Futures	£122.45y	−0.55	£114.40	£124.35	£109.33
Maize French	£148.00	—	£144.50	£151.00	£141.00
WHEAT Futures	£132.50y	−0.75	£120.33	£138.93	£116.10
Hard Winter Wheat	‡	—	‡	‡	‡
SPICES					
Cloves (g)	£5,600w	—	£6,000	£6,900	£5,600
Pepper, white	$3,375w	+86	$1,800	$3,375	$1,700
Pepper, black	$2,350w	—	$1,375	$8,250	$1,200
OILS					
Coconut (Philippines)	$1025w	—	$450	$1,070	$450
Groundnut 5%	‡	—	‡	$1,100	$435
Linseed, Crude	‡	—	£308	£536.30	£309
Palm Malayan	$713z	—	$375	$725	$366
SEEDS					
Copra (Philippines)	$670w	—	$600	$695	$293
Soyabeans (U.S.)	$326z	—	$239.3	$371.3	$233.5
OTHER COMMODITIES					
Cocoa Shipments §	£2,014	+69	£1,130	£2,014	£1,127
Cocoa Futures Mar.	£1,953	+68.5	£1,099.5	£1,953	£1,109
Coffee Futures Mar.	£1,947	−73.5	£1,369.3	£2,020.5	£1,548.5
Cotton Index	89.05c	−0.55	70.30c	92.35c	70.33c
Dos. Coconut	£990	+10	£500	£990	£510
Gas Oil Fut. Jan.	$249	−7.25	$879.76	$277.3	$290
Jute UA BWC grade	$490v	—	‡	‡	‡
Rubber kilo	80p	−1.3	49.75p	86.30p	50p
Sago Pearl	£993w	—	£235	£993	£249
Sisal No. 3L	$640v	−10	$650	$675	$620/630
Sugar (Raw)	£126.5v	−7.3	£109	£193.5	£93
Tapioca No. 1	£318w	—	£230	£319	£315
Tea (quality) kilo	280p	+7	‡	290p	137p
(low med.) kilo	214p	−6	‡	233p	113p
Wooltops: 64s Warp.	433p kilo	+8	372p kilo	493p kilo	379p kilo

‡ Unq. (z) Jan. (x) Feb. (y) Mar. (v) Dec-Jan. (w) Jan-Feb. (g) Madagascar. § Ghana cocoa.

LONDON OIL

Gas oil opened about $2.00 higher against the New York close. Profit-taking caused prices to ease back later in the morning.

Crude oil was also firmer, reports Premier Man.

GAS OIL FUTURES

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per tonne		
Dec.	943.00	+2.66	246.25-244.5
Jan.	848.00	+1.75	246.75-247.6
Feb.	246.25	+2.05	245.75-244.7
Mar.	241.75	+1.76	241.75-241.5
April	238.00	+2.00	237.50
May	936.23	+2.25	265.50
June	934.50	+1.00	234.50
July	233.50	+1.25	283.50
Aug.	234.95	+1.00	—

SPOT PRICES

	Latest	Change + or −
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.05-28.25	+0.05
Iranian Light	27.73	−0.12
Arab Heavy	26.05-26.25	—
North Sea (Forties)	28.70	+0.08
North Sea (Brent)	28.70-28.90	−0.02
African (Bonny Light)	29.00	+0.10
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	260-264	−0.5
Gas oil	249-266	−3.3
Heavy fuel oil	172-175	—

CRUDE OIL FUTURES

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per brl		
Feb.	28.76	+0.26	26.75
Mar.	28.50	+0.24	28.50
Apr.	29.47	+0.27	—
May	99.30	+0.26	28.30
June	88.26	+0.23	—

GOLD MARKETS

Gold rose $2¼ an ounce from Thursday's close in the London bullion market yesterday to finish at $379¾-380¼. The metal opened at $380¼-381¼, its best level of the day, and was fixed in the morning at $379.5, its low for the day. There was no afternoon fixing and trading was extremely quiet and featureless ahead of Christmas.

LONDON FUTURES

Month	Yest'rday's close	+ or −	Business Done
	$ per troy ounce		
Feb.	383.05-84.00	+1.25	385.80-80.16
April	389.80-90.56	+1.06	—
June	396.00-97.00	+1.55	—
Aug.	403.50-05.40	+1.28	—
Oct.	409.90-10.90	+1.06	—

Gold Bullion (fine ounce) and Gold and Platinum Coins, Dec. 23 and Dec. 22 (Close, Opening, Morning fixing, Afternoon fixing; Krugerrand, ½ Krug, ¼ Krug, 1/10 Krug, Mapleleaf, New Sov., ½ New Sov., King Sov, Victoria Sov, French 20s, 50 pesos Mex, 100 Cor. Aust, $20 Eagles, Noble Plat): [illegible]

REVIEW OF THE WEEK

Cocoa market again the star performer

BY OUR COMMODITIES STAFF

COCOA was again the star performer on the London commodity markets this week. Prices surged to new five-year highs reflecting continued concern about crops in West Africa. Reports that some French shippers were having trouble obtaining sufficient supplies of Ivory Coast cocoa to meet export commitments fuelled the rise.

The March position on the London futures market reached a peak of £1,965 a tonne yesterday before closing at £1,953 a tonne, £68.5 up on a week ago in spite of bursts of profit-taking sales before the Christmas holiday period.

The rise in coffee, however, was reversed this week when the higher prices levels triggered off the release of an extra 1m bags (of 60 kilos) of export quota under the International Coffee Agreement. The March position on the London Robusta futures market ended the week £73.5 down at £1,947.

Although the quota increase had been anticipated, it encouraged heavy speculative selling and profit-taking.

Also under pressure this week was the world sugar market. The London daily price for raw sugar dropped by £7.50 to £126.50 a tonne—the lowest level since April this year. Renewed offers by some producers with surplus supplies encouraged trade and speculative selling, which was accelerated by pre-Christmas covering of "long" positions.

On the London Metal Exchange zinc values rose to the highest level for 9½ years. The cash price reached a peak of £608.5 on Wednesday before easing to close yesterday at £603.5 a tonne, still £6 up on a week ago.

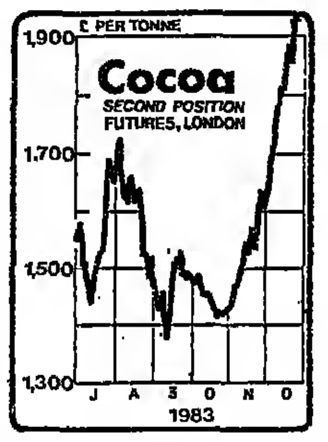
The renewed upturn in the market was encouraged by a surprise decision by producers to lift their European producer price from $950 to $980 a tonne.

Aluminium values were also boosted by British Alcan's decision to lift its UK producer selling price (for the fifth time this year) by £50 to £1,100 a tonne.

On the London Metal Exchange the cash price for free-market aluminium gained £17 to £1,094.5 a tonne reflecting forecasts that demand is still moving up sufficiently strongly to offset increases in output as producers respond to the higher price levels.

Copper and lead were helped by the firmer trend in gold. However, tin came under renewed pressure. The Straits tin price in Penang fell to the "floor" level of the International Tin Agreement of $M29.15 a kilo on Monday and on Friday was only $M29.16.

In London the standard grade cash price lost £295 to £8,382.5 a tonne. This partly reflects the firmer tone in sterling against the Malaysian dollar. But there is also growing speculation that the resources of the International Tin Council buffer stock are near exhaustion following the large quantities it has been forced to buy recently to sustain prices in London and Penang.



BASE METALS

Amalgamated Metal Trading reported that in morning only trading cash higher grade traded at £980, 79.50, three months £1,008, 07.50, 07, 06.50, 06, 05.50, 05, 04.50. Cathodes: Cash £959.5, three months £985. Kerbs: Higher Grade: Three months £1,003, 02, 01, 02, 03. Turnover: 12,350 tonnes.

COPPER

COPPER	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	979.5-80	−.5	—	+2.25
3 months	1004.5-3	−1.5	—	+1
Settlem't	980	−.5	—	—
Cathodes				
Cash	939.3-60	−1.75	—	−.25
3 months	984.5-5	−3	—	−.5
Settlem't	960	−2	—	—
U.S. prod.	—	—	*66.70	.....

TIN

Tin—Morning: Standard: Cash £8,380, three months £8,520, 25, 30, 35, 25, 35, 30, 35, 40, 45. High Grade: Cash £8,435, 30. Kerb: Standard: Three months £8,540, 50. Turnover 2,540 tonnes.

TIN	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	8430-3	−2.5	—	+27.5
3 months	9660-80	−15	—	+38
Settlem't	8436	−5	—	.....
Standard				
Cash	8380-5	+15	—	+45
6 months	8540-5	+5	—	+45.5
Settlem't	8385	+15	—	.....
Straits £.	$889.16	−0.01	—	.....
New York				

LEAD

Lead—Morning: Three months £287.50, 88, 88.50, 89, 89.50, 89.25. Kerb: Three months £288. Turnover 7,750 tonnes.

LEAD	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	279.3-80	+2.12	—	+5.5
3 months	999.23	+1.87	—	+2.87
Settlem't	280	+2.25	—	.....
U.S. Spot	—	.....	*24.9	.....

ZINC

Zinc—Morning: Cash £605, three months £619, 17.50, 16, 17, 18, 17.50. Turnover, 2,650 tonnes.

ZINC	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	603-4	−0.75	—	−4
3 months	017-.5	−6.37	—	4.5
Settlem't	604	−4.5	—	.....
Primw'ts	—	.....	*49-.75	.....

ALUMINIUM

Aluminium—Morning: Three months £1,123, 22, 22.50, 22, 21, 20.50, 21, 22. Kerb: Three months £1,113, 15, 16, 19. Turnover, 8,850 tonnes.

Aluminium	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Spot	1084.0	−5.75	—	−2.5
3 months	1138.5	−4	—	−3

NICKEL

Nickel—Morning: Cash £3,245, 40, three months £3,300, 05, 08, 10, 15, 20. Turnover, 215 tonnes.

NICKEL	a.m. Official	+ or −	p.m. Unofficial	+ or −†
Spot	3240-3	−20	—	+16
3 months	3320.5	−19.5	—	+18.5

* Cents per pound. ‡ M$ per kilo. † On the previous unofficial close.

SILVER

Silver was fixed 5.25p an ounce higher for spot delivery in the London bullion market yesterday at 617.85p. U.S. cent equivalents of the fixing levels were: spot 883.5c, up 9.2c; three-month 905.0c, up 9.7c; six-month 929.1c, up 9.4c; and 12-month 978.6c, up 10.1c. The metal opened at 623½-626½p (892-897c) and closed at 620-623p (887-891c).

SILVER per troy oz.	Bullion fixing price	+ or −	L.M.E. p.m. Unoffic'l	+ or −
Spot	617.85p	+5.25	620p	+12.5
3 months	631.45p	−6.45	634p	−12
6 months	647.45p	+5.55	—	.....
12 months	679.70p	+5.50	—	.....

LME—Silver (2,000 oz contract)—Three months 623.5p (622.5p). Turnover: nil (same).

Turnover 49 (91) lots of 10,000 oz. Morning: Large three months 622.0, 33.0, 34.0, 34.5, 34.0 small untraded. Kerb: untraded. Afternoon: untraded.

COCOA

Moderate gains were maintained in light volume reports Drexel Burnham Lambert. Trade buying inspired the early rise before commission house selling in nearbys prompted a retracement.

COCOA	Yesterday's Close	+ or −	Business Done
	£ per tonne		
Dec.	1950-45	+14.5	1940-25
March	1952-54	+15.5	1965-49
May	1931-33	+9.5	1944-29
July	1912-15	+5.0	1925-15
Sept.	1886-92	−0.5	1904-90
Dec.	1856-57	+1.5	1869-54
March	1240-49	−2.5	1857-35

Sales: 746 (2,674) lots of 5 tonnes.

ICCO Indicator prices (U.S. cents per pound) for Dec 22: Comp. daily 1979 138.81 (138.44); 15-day average 140.20 (140.21).

COFFEE

COFFEE	Yest'day's Close	+ or −	Business Done
January	2027-30	−7.0	2040-24
March	1944-50	−2.0	1960-43
May	1855-61	−0.5	1873-57
July	1814-20	−3.5	1851-25
Sept.	1796-90	−2.5	1801-90
Nov.	1764-69	−6.5	1775-68
January	1725-31	+1.5	1750

Sales: 2,967 (8,714) lots of 10 tonnes.

ICO Indicator prices (U.S. cents per pound). Daily price for Dec 22 121.30 (120.61); five-day average for Dec 22 118.45 (117.45).

GRAINS

Business done—Wheat: Jan 119.60-9.50, March 122.65-2.40, May 125.65-5.20, July 128.55-8.40, May 125.05-5.30, July 128.55-8.40, Sept 112.00 only, Nov untraded. Sales: 219 lots of 100 tonnes. Barley: Jan 119.90-9.40, March 122.60-2.45, May 124.35-4.25, Sept 110.05-10.00, Nov 113.00 only. Sales: 125 lots of 100 tonnes.

	WHEAT		BARLEY	
Mnth.	Yesterday's close	+ or −	Yest'day's close	+ or −
Jan.	118.5	−0.65	119.50	−0.85
Mar.	122.50	−0.65	129.45	−0.75
May	125.45	−0.70	124.30	−0.76
July	128.50	−0.65	—	—
Sept.	112.00	−0.75	109.75	−0.60
Nov.	115.00	−0.75	112.73	−0.55

HGCA LONDON GRAINS—Wheat: English feed fob Jan 129 paid East Coast. Maize: French Dec/Jan 148, Jan/March 149 trans shipment East Coast. Rest unquoted.

POTATOES

The market was stronger in line with firmer Dutch futures, reports Coley and Harper.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
Feb.	152.50	150.90	155.00
April	180.70	176.10	181.50-176.1
May	190.30	186.00	191.50-188.5
Nov.	77.00	75.50	—
Feb.	87.00	93.60	—

Sales: 545 (853) lots of 40 tonnes.

RUBBER

The London physical market opened about unchanged, attracted no interest throughout the day and closed idle, reported Lewis and Peat. The Kuala Lumpur January fob price for RSS No 1 was 261.5 (262.0) cents a kg and SMR 222.5 (same).

No. 1 R.S.S.	Yesterday's close	Previous close	Business Done
	£ per tonne		
Feb.	841-842	835-840	—
Mch	846-847	—	840-926
Apl-Jne	851-852	851-852	851
Jly-Sept	862-863	962-863	963
Oct-Dec	873-874	975-874	—
Jan-Mch	883-884	883-884	843-984
Apl-Jne	894-895	994-895	—
Jly-Sept	905-806	904-905	—
Oct-Dec	910-825	—	—

Sales: 11 (66) lots of 15 tonnes; nil (22) lots of 5 tonnes.

Physical closing prices (buyers) were: spot 83.00p (82.50p); Feb 84.75p (same); March 85.00p (same).

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order, buyer, seller, business). New Zealand cents per kg. Dec 409, 414, nil; Jan 406, 410, nil; March 422, 424, 421; May 431, 434, 433-421; Aug 445, 449, 448-446; Oct 447, 452, 450; Dec 450, 456, nil; Jan 450, 456, nil; March 460, 466, 467.

INDICES

FINANCIAL TIMES

Dec. 23	Dec. 22	M'th ago	Y'ar ago
296.50	295.22	998.05	239.02

(Base: July 1 1952=100)

REUTERS

Dec. 23	Dec. 22	M'th ago	Y'ar ago
1970.4	1969.1	1929.5	1591.6

(Base: September 18 1931=100)

MOODY'S

Dec. 22	Dec. 21	M'th ago	Year ago
1060.6	1036.2	1013.0	1005.3

(December 31 1931=100)

DOW JONES

Dow Jones	Dec. 22	Dec. 21	Month ago	Year ago
Spot	138.88	139.09	133.90	134.44
Fut's	142.52	141.36	141.59	146.62

(Base: December 31 1974=100)

SOYABEAN MEAL

	Yestday's close	+ or −	Business Done
	£ per tonne		
Feb.	185.70-86.00	+1.75	186.00-85.50
April	187.50-88.50	+1.10	186.50
June	182.50-85.66	+0.76	—
August	181.50-82.50	−1.06	—
October	171.00-78.06	−0.56	—
Dec.	105.00-68.00	+0.50	—

Sales: 27 (26) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE—Raw sugar 126.50 (£128.00) a tonne for Dec-Jan-Feb shipment. White sugar £154.00 (£155.00).

No. 4 Contract	Yestday's close	Previous close	Business done
	£ per tonne		
Mar.	145.00	140.00-40.25	148.50-45.00
May	151.85	154.25-55.00	155.00-51.85

No. 6 Contract	$ per tonne		
Mar.	208.60-09.60	211.40-12.00	215.00-09.00
May	217.00-18.40	220.00-26.00	220.00-18.60
Aug.	220.00-26.40	227.80-28.60	—
Oct.	235.00-34.40	205.00-35.80	205.00
Dec.	240.00-43.00	242.66-44.66	—
Mar.	255.00-57.00	257.00-56.00	—
May	262.00-65.00	263.00-66.00	—

Sales: No 4 542 (791); No 6 1,681 (1,478) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £233.50 (£235.00) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for December 22: Daily price 7.31 (7.37); 15-day average 7.60 (7.87).

AMERICAN MARKETS

NEW YORK, Dec 23

Heating oil prices were limit-up as the record low temperatures continued to plague the central states, reports Heinold Commodities. Copper prices were unchanged in a continually traded market with traders unwilling to commit themselves over the long weekend. Soyabeans and grains finished higher on a record advance in basis as country and terminal market movement is severely hampered by the disrupting [illegible] traffic. Wheat prices were also helped by an unexpectedly low estimate of U.S. winter wheat production. Sugar prices were slightly lower on early arbitrage activity and on light technical selling. [illegible] book-squaring.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
March	77.00	77.10	76.90	77.20
May	77.75	77.75	77.75	77.85
July	73.75	—	—	78.85
Sept	79.75	—	—	79.90
Dec	21.25	—	—	81.45
Jan	81.75	—	—	81.95
March	82.75	—	—	82.95
May	83.75	—	—	83.95

The remaining American markets tables (cocoa, coffee, copper, cotton, crude oil, gold, heating oil, orange juice, platinum, silver, sugar, Chicago live cattle, live hogs, maize, pork bellies, soyabeans, soyabean meal, soyabean oil and wheat) and the rest of the aluminium table: [illegible]

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system: they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the five previous days is given with the relevant date.

‡ Bargains at special prices. ⊕ Bargains done the previous day. Δ Bargains done with non-member or executed in overseas markets.

UK PUBLIC BOARDS

COMMONWEALTH GOVT.

FOREIGN STOCKS

CORPORATIONS—FOREIGN

BANKS, DISCOUNT

BREWERIES

COMMERCIAL INDUSTRIAL

A—B

C—D

E—F

G—H

I—J—K

L—M

Lewis (John) 5pc 1st Pf (£1) 45 (19/12). 7pc Pf (£1) 58 (19/12)
Lewis (John) 5pc Pf (£1) 47 (16/12)
Lewis's Inv 6½pc Mtg Db 1955-90 £81½
Lex Serv 2nd Wts 228. 8½pc Ln 1992-97 £85 (16/12)
Liberty 9.5pc Pf (£1) 108½ (16/12)
Lindustries 6¼pc Db 1984-89 £80¼ ¾ (21/12)
Liverpool Daily Post 5pc Pf (£1) 39 (16/12)
Lloyd (FH) 7¼pc Ln 1981-01 £71
London and Mid Ind 8½pc Db 1989-94 £80½
London Brick 14pc Cnv Ln 1994 £487
London Pavilion (£1) £11.95 2 (21/12)
Lonrho 7½pc 1st Deb 1988-01 £77

N—O—P

Q—R—S

T—U—V

W—Y—Z

Waddington (John) 6pcPf (£1) 49 (21/12). 8pcPf (£1) 65 ½ (21/12)
Wade Potteries 10pcPf (£1) 88 (18/12)
Walker & Staff Hldgs (5p) 35. 9pcLn 1988 £76 (10/12)
Walker (Thomas) (5p) 12½ 3½ (20/12)
Warehouse Gp (25p) 232 (20/12)
Waverley Cameron (25p) 80 3 (19/12)
Weir Gp 10pcPf (£1) 100 ¼ (20/12)
West Bromwich Spring 11.5pcPf (£1) 58 (16/12)
Western Motor Hldgs A (25p) 37 (19/12)
Westland 7¾pcDb 1987-92 £83
Westwood Dawes (25p) 51 (20/12)
Whitecroft 4.1pcPf (£1) 42½ (21/12)

FINANCIAL TRUSTS

INSURANCE

INVESTMENT TRUSTS

UNIT TRUSTS

MINES—MISCELLANEOUS

MINES—SOUTH AFRICAN

OIL

PROPERTY

Capital Counties 6½pcDb 1994-99 £69¼ (20/12). 9½pcLn 1991-96 £85¾
Charlwood Alliance 7½pcLn (50p) 31½ (20/12)
Country New Town (10p) 70 1 2
Dares Estates 8pcLn 1992-97 £72
English Property 12pcLn 2000-05 £118 (21/12)
Espley-Tyas 11½pcLn 1958 £99
Estates Property 6½pcDb 1993-97 £59¾

PLANTATIONS

Consd Plantns Berhad Wts Sub Shs 30d
Dorandande Rbr Ests (10p) 120
Dunlop Plantns 6pcPf (£1) 40D
Guthrie Cpn 9½pcLn 1992-97 £76½
Inch Kenneth Kajang (10p) 900 15
Jitra Rbr Plantns (10p) 54 (10/12)
Kinta Kellas Rbr Ests (10p) 203 (19/12)
Kuala Selangor (10p) 450 (19/12)
Harborough Plantns (10p) 99 100 3 (20/12)
Rosna Tea Hldgs (£1) 515 (16/12)
Sagomana Go (10p) 490 (21/12)
Sungei Bahru Rbr Ests (10p) 148 52

RAILWAYS

Canadian Pacific 7½pcPfd (Ser A) (C$10) 450 (19/12)
Fishguard Rosslare Rlys Hbrs 3½pcGtdPf £24 (19/12)
Ontario Quebec Rly 5pcPermDb £42 (21/12)

SHIPPING

Caledonia Invsts 0pcDb 1980-85 £92½ (21/12)
Graig Shpg A N-Vtg (£1) 500 5 (15/12)
Hunting Gibson 5pcPf (£1) 49½⊕ 50⊕
Lyle Shpg 6½pcPf 49½ ½ (21/12)
Peninsular Oriental Steam Nav 5pcPfd £52½ (19/12)

UTILITIES

Calcutta Elect Supply Cpn (India) Equity (Rs10) 52 (16/12)
Electricite de France 12½pcGldLn 2008 £107½
Manchester Ship Canal 5pcPerpPf (£1) 35½. 4pcPerpDb £31½ (21/12). 5¼pc Db 1979-84 £97½ (16/12)
Mersey Docks Hbr Comb Uts 45 ½. 3¾pc Db 1979-89 £61. 3½pcDb 1979-39 £51. 6¾pcDb 1996-99 £52½ (20/12)

WATER WORKS

Bristol 3.5pc (Fmly 5pc) Max Drd £39⊕
Cambridge 4.2pc (Fmly 6pc) Pf 1984-86 £58 (20/12). 7¼pcDb 1988-90 £80
Colne Valley 2.8pc (Fmly 4pc) Pf £30½. 4.025pc (Fmly 5¾pc) Pf 1988-93 £68 (16/12). 6pcPf 1890 (£)0 pd. 15.2/84) £9⅞ (10/12). 4pcDb tirrdt £30
East Surrey 8 4.9pc (Fmly 7pc) Max £52
Essex 4.2pc (Fmly 6pc) Pf 1984-86 £90 (10/12). 4pcDb £30
Hartlepools 3.5pc (Fmly 5pc) Max £58 (16/12)

UNLISTED SECURITIES MARKET

London Manchester Securities 10pcDb 1993-95 £89 (21/12)
MME Facilities New (10p) 37⊕
Mebon New (10p) 92 3
Moray Firth Maltings New 223 7. 10pc Pf (£1) 112¼ (20/12)
New Court Natural Resources Wrnts to sub Ord 4 5
Page (M.) Partnership (8p) 106⊕
Perlrom New (10p) 154
Protimeter (5p) 33 New (5p) 32 3
Rivlin (J. D. S.) Hldgs (5p) 58 (21/12)
Swindon Private Hospital (£1) 99 (19/12)
Sovereigns (10p) 80 (21/12). New (10p) 88 90 1 2 3
Tay Homes New 91 2
Technology for Business (10p) 70
Television South 10½pcSubLn 1980-88 £112 3 (19/12)
Tyne Tees Television Hldgs A (Non-Vtg) (£1) 175 0
United Friendly Insurance B (Res-Vtg) (10p) 250 2
W. W. Thermax 142 3 4 5 6 7 0
Woodchester Invsts. (Ir£0.20) 170 (19/12)

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

AOG Minerals 11 (21/12)
Acmes Hldgs 54⊕ 4 (16/12)
Agnico-Eagle Mines £9½ (10/12)
Allflex Hldgs 220⊕ (16/12)
Alliance Oil Development 51⊕ 49 50 (19/12)
Ametif 200 (20/12)
American Can Co £28 (16/12)
American Home Products £35¼⊕ (21/12)

Jardine Matheson Finance 0½pcLn 1984-95 £5 (19/12)
Jardine Secs 68 (21/12)
Johnson and Johnson £27¼ (15/12)
K Mart Corp £24¼⊕ (20/12)
Kia-Ora Gold New 2
Kawasaki Steel Corp 50½ 2
Kia-Ora Gold 9¼ 10 ¼
Kollmorgen Corp £20¼ (16/12)
Kulim Malaysia 81⊕ (21/12)
Lac Minerals £17⅞ (21/12)
Lightning Ridge Mining 3½⊕ ½
Little Long Lac Mines £21½
Marks and Spencer Canada 885 (15/12)
Mattel Inc US$5½⊕ (20/12)
McDonnell Douglas Corp £41 (21/12)
Meridian Oil 12½
Metana Minerals 18 2
Minnesota Mining and Manufac £60¼⊕
Moet-Hennessey FFr 1364.50⊕ (20/12)
Mogul Mining 25
Moore Corp £28⅞ (21/12)
Mount Carrington Mines 78 (15/12)
Myer Emporium 12)⊕ (20/12)
NL Industries £10¼ (19/12)
Nationale-Nederlanden £11¾ (16/12)
Negri River Corp 13 (19/12)
New Zealand South British Group 77⊕ (20/12)
Nicholas Kiwi 198
Nighthawk Resources 63⊕ (21/12)
North Flinders Mines 80⊕
North South Resources 70
Nova and Alberta Corp Class A Com 370⊕
Oceaneering Int 49⊕ (20/12)
Oreag Resources 12⊕ (20/12)
Oil Co of Australia (A$0.35) 36
Oil Search 9½ ¾
Overseas Chinese Banking Corp 360⊕ 3⊕ 5⊕
Palabora Mining 875⊕ (16/12)
Palliser Int Energy 11 12
Pencontinental Petroleum 15⊕ 15
Pancontinental Petroleum Options 30 6.P5 0
Paradyne Corp US$10¼ (20/12)

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

Alliance Bldg Soc 11½pcBds 1/2/84 £100.018pc 0.023pc
Amal Metal Corp 6pcPf 39 41 2
Ann Street Brewery (£1) 390 400 (16/12)
Assoc Hotels (50p) 165 (16/12)
Bell 5pcPf (£1) 32 4 (21/12)
Biotechnology Invs (US$0.02) $17 $11.75 85 12.25
Business Intelligence Unit (Comp 3 A £1 & 1 A Dfd 10p) £).850
Cannon St Invs (20p) 5 ¼ (20/12)
Central Equip B (£1) 460 3 (19/12)
Central ITV (50p) 175 (20/12)
Chequel Hotels and Props (10p) 36 8
Checkpoint Europe 410 20
CIC Inv (1p) ¾ 1 ⅛ (21/12)
Clucas Cleaners (£1) 200 (16/12)
Comcl Bank of Wales (£1) 85 8
Dollar Land (£1) 84 6 (21/12)
Eastbourne Wtrwks (£1) 4.9pc max div 33.5
Edenspring (1p) 7
Farmer Stedall (10p) 175 7 8 (21/12)
Graydon 11pcLn 1976-83 £21½pc
Intelligence (UK) (10p) 500 5
Island Garages 11½pcLn 1080-91 £115pc (21/12)
Jennings Bros 6pcPf 51½ 4 (20/12)
Jersey New Waterworks 10pcDb 1985-90 £90pc (20/12)
Jessel Tst (5p) 5 ⅛ (20/12)
Le Riches Stores (£1) 370 5 (16/12)
Manx & Overseas Inv Tst (10p) 19 (21/12)
Oil & Gas Expl (Ir£0.10) 50
Oldham Ests (50p) 98 ½ (19/12)
Pahang Cons 45 6 7
Pex Hldgs 11.75pc 2ndCnfRedPf (£1) 107¼ 110¼ (20/12)
Plantation and Gen Invs 175 80
Prowting Hldgs 13.75pcPf (£1) 107 (10/12)
Rangers FC (£1) £18
Sinclair Research £34 (20/12)
Southern Newspapers (£1) 147 8 (19/12)
3M UK 43pcPf 78 ¼ (20/12)
Zaddia Invs (10p) 34
Welsh Inds Inv Tst Pfd (5p) 15 8 (21/12)

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

Bryson Oil & Gas (20p) 170 80
Caledonian Offshore 4pcLn 2000 (£75pc pd) $1.12pc
Celtic Basin Explo (£1) 25¼ (21/12)
Kenmare Oil Expl (Ir£0.25) 7
Pennine Resources 35 ½ 0 (21/12)

(By permission of the Stock Exchange Council).

Offshore and Overseas—continued

Insurances—continued

London Life Linked Assurance Ltd
100 Temple St, Bristol BS1 6EA. 0272-279179

Equity	228.4	235.2	—	—
Fixed Int	169.0	109.8	—	—
Property	167.4	172.4	—	—
Deposit	143.5	143.5	—	—
Mixed	194.7	198.8	—	—
Index Stk	108.7	109.2	—	—
International	118.0	120.5	—	—

London Life Managed Funds Ltd.

Equity(P)	165.2	170.9	—	—
Fixed Int(P)	175.1	176.4	—	—
Property(P)	123.8	128.1	—	—
Deposits(P)	123.8	123.8	—	—
Mixed(P)	155.7	159.5	—	—
Index Stk	115.5	118.3	—	—
Int Equity	115.5	117.8	—	—

Moneywise Friendly Society.
80 Holdenhurst Rd, Bournemouth. 0202 29567

Mnywise-Int	49.5	32.7	—

Municipal Life Assurance Ltd
99 Sandling Rd, Maidstone 0622 67935

Equity Fd	99.0	105.0	—
Managed Fd	106.0	112.0	—

Money Market Bank Accounts

Money Market Trust Funds

Swiss lift bond issue ceiling

By Peter Montagnon, Euromarkets Correspondent

FOREIGN borrowers will be allowed to raise up to SwFr 200m in one go on the Swiss public bond market from January 1 following steps taken yesterday by the Swiss National Bank to liberalise its rules on capital exports.

Currently each single issue on the Swiss public market is limited to SwFr 100m with the exception of dual currency bonds. Under the new regulations these will also be subject to a ceiling of SwFr 200m so that they will receive equal treatment with conventional issues.

At the same time the Swiss National Bank has announced that it is dropping its confidential calendar of new public issues, although banks will still have to seek approval for the issue of bonds for foreigners.

Bankers in Zurich say the new measures are not regarded as significant in monetary policy terms, but simply follow the National Bank's long-stated policy of liberalising the capital markets. Higher amounts on public bond issues are not expected to lead to a sharp pick-up in capital exports as the public bond market plays a much smaller role than the private placement market.

From January banks will have much more flexibility in arranging foreign issues in the public market, but the domestic bond market has also already been freed of much of its regulation without any notable crowding-out.

Foreign banks will still not be able to lead or co-manage issues in the public bond market. It is understood that this restriction is being kept in place because of uncertainties over the depth of their placing power.

Morgan Stanley sets the pace for modern financiers

BY DAVID LASCELLES

"WE WANT to be more like a Wall Street-style investment bank." Hardly a week passes in London without some City institution proclaiming this as its goal, while mergers and alliances between merchant banks, stockbrokers and jobbers proliferate.

That sounds very grand. But what does it mean?

On the face of it, London merchant banks and Wall Street investment banks look very similar. They handle the complex financial needs of big corporate clients, manage funds, deal in markets and arrange mergers and acquisitions.

Much of what Goldman Sachs or Lehman do in New York mirrors what Warburgs or Schroders do in London. But they spring from different traditions.

UK merchant banks were originally lenders of money, and though all of them have diversified, these banking origins still show through. The Wall Street firms, by contrast, are forbidden by law to lend money or take deposits, so the accent is much more on raising capital in the financial markets—and therefore on dealing in the markets.

There is no typical Wall Street investment bank. Because New York does not distinguish so sharply between roles performed in London by merchant banks, stockbrokers, discount houses and jobbers, an investment bank can be any or all of these things—increasingly all.

Morgan Stanley, one of Wall Street's largest, is an example of how an investment bank has "rounded out" in a way to which UK merchant banks seem to aspire. It also seems to be the model that S. G. Warburg had in mind when it recently bought a £40m ($57.2m) stake in Akroyd and Smithers, the largest market-maker on the London stock exchange. Widely considered the most prestigious though possibly the most arrogant of the investment banks, Morgan counts virtually all the U.S. blue chip companies among its clients, as well as many governments, including the UK.

Ten years ago, it was a "one wing" firm based largely on corporate finance: arranging deals and underwriting capital-raising efforts for companies. It employed 250 people and had capital of $7.5m. Today, after a decade of spectacular expansion, it has developed a worldwide trading operation; it employs 2,500 people and has capital of $300m.

A good deal of the impetus came from mounting competition from aggressive rivals like Salomon Brothers (best-known for its trading skills) and First Boston, which is equally strong on corporate finance and trading. But according to Mr Lewis Bernard, a managing director, Morgan Stanley also took the view that it could do a better job of underwriting clients' issues and handling their increasingly complex needs if it dealt directly in the financial markets rather than through somebody else."

"If you are going to raise capital, you have to be able to deal in it and manage it too. You can't rely on the placing power of others."

Once having got into the markets, the firm quickly found them interconnected, and before long it was dealing not just in bonds and equities, but also government securities, Euromarkets, money markets, precious metals, foreign exchange, commercial paper and even mortgage-backed securities, the latest boom business. And, for both hedging and speculation, financial futures.

This entailed boosting offices overseas. The London staff is now 250, as many as the entire staff in 1971, and will double in size in the next couple of years. So will Tokyo.

Mr Parker Gilbert, the Morgan Stanley chairman, said: "The firms that succeed will be those that can deal in the world's capital markets. For example, we can serve a Japanese client who wants to sell DM securities to raise dollars to buy U.S. securities."

But Morgan also found that going into dealing also meant more than setting up shop. Mr Bernard said: "You are going into a risk business. You have to change the whole psyche of the firm.

Mr Mr Bernard also believes that the key to handling risk is not—as many people think—by having a strong capital base, but by knowing how to lay off risk. This, he says, means having good "distribution" power: knowing how and where to sell the securities that you take on, and having a sales force with the right institutional contacts.

Of developments in London, Mr Bernard said: "Who captures the distribution system? That's vital. I don't think the London merchant banks have good enough distribution, so they have trouble competing for the big deals."

Capital is a concern for Morgan Stanley, of course. It has to abide by a statutory minimum. But it has been able to boost its capital entirely through retained earnings (it is a privately-held corporation). It has also resisted making major acquisitions or engaging in joint ventures, believing it best to keep everything "in house." And the firm hopes to keep it that way. "Going public is not something we have under constant consideration," said Mr Gilbert.

Today, Morgan earns the majority of its revenue from trading. Many would say this is the hallmark of a Wall Street investment firm: it makes more money by taking positions in the market than by lending to or arranging takeovers for corporate clients.

Whether UK merchant banks—many of whom are already big traders—go that far remains to be seen. Most have diversified much more than Morgan Stanley—into insurance and shipping for example, and lending is important. But the ability to deal in markets in an international scale seems increasingly to be the distinguishing mark of the merchant banking first league.

C. Itoh earnings recover

By Yoko Shibata in Tokyo

C. ITOH, the major Japanese trading house, reports dramatic recovery in earnings for the first half of this year.

Against Y145m, net profits have risen to L1.13bn ($4.8m) in the six months ended September 1983. Sales for the half year were 3.1 per cent ahead at Y6,486bn.

The recovery in earnings was helped significantly by profits made on investments and sale of securities. The company showed a Y3.6bn gain on its disposal of investments and marketable securities against a Y2.2bn loss a year earlier.

For the whole of this year the company projects net earnings of around Y2bn against Y307m in 1982; sales totalled Y13,100bn.

This year sales have improved from domestic transactions for food and agricultural products and from offshore trading, including o[illegible] transactions.

Bid for control of New Zealand food group

BY OUR FINANCIAL STAFF

NEW ZEALAND FOREST Products (NZFP), the country's second largest company, yesterday threw a large spanner into the works of New Zealand's long Christmas and New Year corporate break by announcing a NZ$560m (U.S.$360m) bid for control of Wattie, the major food company.

NZFP made their announcement the day after the stock market closed for its almost three-week summer break. Earlier this week it snatched 24.9 per cent of Wattie in a dawn raid. At the time the move was seen as primarily defensive—for Wattie had, in alliance with fellow food major Goodmans, taken a similar sized stake in the forest products group in late November.

Wattie yesterday was hurriedly recalling its directors from their summer holidays. According to Mr John Haworth, its managing director, the NZFP move had come "at an awkward time." Mr Lyn Papps, of NZFP, said the bid was in the best interest of both companies.

The NZFP offer is for four of its shares plus NZ$1 in cash for each of Wattie's 80.3m issued ordinary shares. This places a value of NZ5.58 on each share higher than the NZ$5.05 closing price for the company on Thursday. In addition NZFP are offering a mixture of ordinary shares and cash for the 22.5m preference shares issued. In total the bid values Wattie at around NZ$560m.

NZFP have announced, that they are only bidding for that part of Wattie not controlled by Goodmans-Wattie and Goodmans have a 35 per cent cross-holding in each other. With almost 25 per cent of Wattie already in their possession the offer is effectively for the outstanding 40 per cent.

Goodman's first half net profit, announced this month, jumped 43 per cent to NZ$8.9m with Wattie making a substantial contribution to this. Wattie, whose canned goods are sold in supermarkets in Britain and around the world, increased its group sales this year to NZ$573m. Most of New Zealand's major food firms now come under the Wattie-General Foods of New Zealand banner.

Isuzu Motor reports pre-tax loss of Y2.1bn

BY OUR TOKYO STAFF

ISUZU MOTOR, Japan's second largest truck manufacturer, in which General Motors has a 34.2 per cent stake, has announced a pre-tax loss of Y2.1bn ($9m) in the year ended October 31, 1983, from the previous year's Y8.8bn profit.

Net profits were Y5.3bn, down by 11.4 per cent, on sales of Y684bn, down by 4.8 per cent. Unit sales fell by 11 per cent to 377,000 vehicles, affected by a steep fall in truck sales—particularly in small truck exports to the U.S.—as well as passenger car exports.

The company has begun to reinforce its passenger car production in line with GM's global strategy. It has been marketing its Asaka compact cars in the domestic market since the spring of 1983. It plans to supply "R" cars to GM next year.

As a result the company has increased capital investment by 50 per cent to around Y54bn and plans to invest Y60bn next year.

Suez group to take stake in Greficomex

By David Marsh in Paris

COMPAGNIE Financière de Suez, the French state-owned financial and industrial conglomerate, plans to expand its foreign trade financing activities by taking a 20 per cent stake in Greficomex, a specialist Paris-based company.

The participation, to be realised through subscription to a capital increase, will give the group's Suez International a stake in a company with particular speciality in compensation or barter trade.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

INSURANCES

Markets steady to firm in unusually busy pre-Christmas trading session

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Jan 16	Jan 26	Jan 27	Feb 6
Dec 12	Dec 22	Dec 29	Jan 9
Dec 30	Jan 12	Jan 13	Jan 23

* "New-time" dealings may take place from 9.30 am two business days earlier.

In a shortened and light-hearted trading session, blue chip industrials yesterday took a well-earned breather as buyers turned their attentions to the celebrations ahead.

Leading shares drifted lower for want of further support, but the underlying tone remained firm with continuing hopes of cheaper money, both here and in America, and increasing optimism about the UK's economic prospects underpinning sentiment. After a seven day rise of 25.6 to a record high of 776.2, the Financial Times Industrial Ordinary share index yesterday eased just 1.2 but, at 775.0, retained a gain of 15.7 on the week.

Secondary issues provided features to unusually busy pre-Christmas trading with brokers' New Year recommendations generating interest. British Aerospace stood out with a rise of 8 to 232p on suggestions that the group is on the verge of winning a £750m U.S. contract. The financial sector became much quieter after the recent wave of bid speculation, but Eagle Star remained fairly active awaiting further developments in the protracted bid battle.

Government stocks moved higher in thin trading, still supported by a steadier sterling exchange rate and November's good trade figures. Longer-dated issues closed around ¼ better, while shorter maturities finished ⅛ harder. The FT Government Securities index closed marginally higher to record a gain on the week of 0.81 at 83.15.

Merchants Banks closed an exciting week sedately but with several at new peaks for the year. Kleinwort Benson edged forward 5 more to 435p for a five-day rise of 68 following this week's Arab consortium abortive attempt to purchase a 10 per cent stake. Hambros rose 4 to 158p and Mercury Securities 5 to 535p, both being at 1983 highs. The four main clearers were overlooked and tended to ease, Midland sustaining the heaviest loss at 393p, down 7. Royal Bank of Scotland hardened to 225p, making a gain on the week of 52, on speculation aroused by Lloyds Bank increased stake of 21.3 per cent.

Awaiting further developments in the bid battle which should be determined by the end of next week, Eagle Star improved 5 to 720p. Other Composite and Life Insurers were also firm.

Belhaven Brewery gained the turn to 33p following the announcement that the Virani Group now controls 27.3 per cent of the equity. Elsewhere in a subdued drinks sector, Distillers attracted sporadic interest and added 2 to record a gain on the week of 17 at 236p.

After attaining a 1983 peak of 660p on Thursday in the wake of domestic and U.S. demand, ICI drifted back to 654p before settling a net 4 off at 656p.

Dealings in International Paint resumed at 202p compared with the suspension price of 162p following the agreed share-exchange offer worth 210p per share for the outstanding 12.2 per cent of the equity not already owned by Courtaulds, a penny off at 128p.

Stores moved irregularly where changed. Market newcomer French Connection were wanted at 143p, up 3, while W. H. Smith A added a couple of pence at 142p. Sumrie Clothes, on the other hand, gave up 5 to 88p following a closer appraisal of the interim statement.

Shoes featured Stylo which put on 5 to a 1983 high of 158p on revived speculative demand. FII, buoyed of late by its Rhino-therm subsidiary, eased 2 on profit-taking but retained a gain on the week of 19 at 198p.

Electricals were inclined easier, but Eurotherm resisted the trend with a gain of 8 to 243p. Falls of 5 were marked against United Scientific, 315p, MK Electric, 290p, and Resource Technology, 170p.

Engineers were rarely altered, but Belgrave (Blackheath) edged up 4 more to 114p making a rise of 26 since Monday's announcement of the interim results, while Westland became a fairly lively market but closed unaltered at 165p, after 167p.

With sentiment helped by indications of bumper Christmas spending, J. Sainsbury rose 4 to a high for the year of 466p. Dee Corporation held at 388p; the company has acquired two supermarket groups in Northern Ireland for £21.8m. Speculative counter Bio-Isolates firmed 4 to 97p, but Batleys of Yorkshire softened a couple of pence to a low for the year of 74p.

Small investment buyers were about again for Dalgety, up 10 more at 428p, and S. Pearson, 5 better at a 1983 high of 409p. Other Miscellaneous Industrial leaders showed minimal movements either way with Bowater extending this week's advance to one of 22 to 265p. Elsewhere, Sketchley improved 3 to 404p, helped by the £9m U.S. acquisition, and Highgate and Job rose 10 further to 160p; a 22.8 per cent stake in the latter was acquired by investment clients on Thursday. Renewed demand took Staffordshire Potteries up 4 to a peak for the year of 63p. Fogarty gained a similar amount to 72p and J. Hewitt went 5 better at 120p. Bellair continued their good run to close 10 up at 730p and Wolseley-Hughes gained 13 to 535p in a thin market. Against the trend, GR Holdings fell 15 to 195p and Sterling Industries 8 to 90p, the latter still unsettled by this week's lower mid-term profits.

The Leisure sector displayed a couple of firm spots. Trident TV A put on 2½ to 116½ following Press comment, while renewed demand in a limited market lifted Juliana's 20 to a 1983 peak of 420p.

A firm sector throughout the week, Motor Distributors reacted on profit-taking. H. Young, at 94p, gave up 6 of Thursday's gain of 10, while Lex Service eased 3 but retained a gain on the week of 17 at 368p.

Advertising agents Geers Gross continued to attract scattered support on recovery prospects and added 6 for a five-day gain of 20 at 114p.

Among Properties, interest was shown in Daejan, 4 firmer at 176p, and Cussins, 5 to the good at a 1983 peak of 240p. Hales Properties found support in a thin market and put on 7 to 95p. Of the leaders, Land Securities softened a penny at 267p, but MEPC hardened 3 at 264p.

Following the agreed bid from Investors in Industry worth 57p per share, EDITH closed at 56p compared with the suspension price of 47p. Among Financial Trusts, Argyle responded to a tip-sheet recommendation with a rise of 5 to 43p.

An easier trend developed in the Oil leaders with falls of around 3 being marked against Britoil, 190p, and Shell, 556p. The speculative explorers enjoyed a relatively lively trade; fresh interest developed in Candecca, a couple of pence firmer at 145p, after 148p, while Saxon advanced 11 to 248p. Eglington improved 5 more to 290p, but Atlantic Resources closed unaltered at 690p, after touching 705p.

Mining markets ended the week on a quietly firm note, with sporadic buying of South African Golds boosting the Gold Mines index by 3.1 to 582.4.

Although generally subdued, the market provided firm features in ERGO and East Daggafontein following the proposed joint venture. ERGO advanced 21 to 518p—a two-day rise of 33—and East Daggafontein put on 6 at 374p.

Bullion was trading firmer at around $380 an ounce.

Among the heavyweights, rises of around ½ were common to Vaal Reefs, £76½, Free State Geduld, £26½, and St Helena, £24½.

Financials were little-changed either way, but Gold Fields of South Africa attracted support from Johannesburg to close ½ up at £14¾. Platinums edged higher with gains of 5 common to Impala and Rustenburg at 925p and 765p respectively.

Australians were highlighted by good gains in Golds, especially Poseidon which advanced 13 to 285p amid vague takeover speculation. Gold Mines of Kalgoorlie added 10 at 640p.

Elsewhere, recently strong Tanjong Tin dipped 10 to 240p on profit-taking but retained a week's gain of 97. Murchison continued to surge ahead, rising 25 to 825p—a week's gain of 235—reflecting heavy Cape buying and bid rumours.

The Traded Options market closed at 11.30 but business was at a surprisingly high level with 1,258 contracts struck—856 calls and 402 puts. The week's daily average amounted to 2,202.

	Dec. 23	Dec. 22	Dec. 21	Dec. 20	Dec. 19	Dec. 16	Year ago
Government Secs	83.16	83.14	82.93	82.70	82.64	82.34	80.33
Fixed Interest	86.23	86.03	86.05	85.96	85.96	85.86	81.58
Industrial Ord.	775.0	776.2	772.0	759.8	762.1	759.3	590.2
Gold Mines	582.4	579.3	580.1	570.1	658.2	656.0	636.3
Ord. Div. Yield	4.58	4.55	4.32	4.59	4.62	4.63	5.09
Earnings, Yld.% (full)	9.36	9.28	9.35	9.37	9.43	9.45	10.96
P/E Ratio (net) (*)	13.02	13.14	13.05	13.02	12.94	12.92	10.05
Total bargains	—	19,943	20,005	21,120	19,290	22,411	7,565
Equity turnover £m.	—	351.58	264.44	211.09	170.88	225.96	60.05
Equity bargains	—	17,345	16,856	15,646	16,084	15,347	5,926
Shares traded (ml)	—	160.5	165.7	136.3	124.5	144.9	42.3

10 am 774.7. 11 am 774.5. Noon 775.0. 1 pm —. 2 pm —. 3 pm —.

Basis 100 Govt. Secs. 8/1/28. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

Nil=12.24.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs	83.70 (11/11)	77.03	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	86.41 (7/12)	79.03 (1/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	776.2 (22/11)	598.4 (11/1)	776.2 (22/12/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2)	444.6 (1/11)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Dec. 22	Dec. 21
—Daily Gilt Edged Bargains	137.3	132.3
Equities Bargains	112.4	109.2
Value	306.6	534.5
5-day Avrge Gilt-Edged Bargains	143.7	147.6
Equities Bargains	105.3	104.1
Value	464.4	456.2

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, December 22, 1983.

Newspapers, Publishers	+70.56	Overseas Traders	+27.84
Other Industrial Materials	+65.23	Food Retailing	+23.56
Chemicals	+64.65	All-Share Index	+22.92
Motors	+61.04	Discount Houses	+21.78
Merchant Banks	+59.06	Metals and Metal Forming	+19.49
Packaging and Paper	+54.44	500 Share Index	+18.87
Shipping and Transport	+54.24	Mining Finance	+18.65
Textiles	+47.24	Industrial Group	+16.67
Insurance (Composite)	+46.03	Consumer Group	+15.18
Other Groups	+45.88	Stores	+13.79
Insurance (Life)	+42.40	Food Manufacturing	+13.52
Financial Group	+38.88	Tobaccos	+12.67
Banks	+36.86	Building Materials	+11.18
Office Equipment	+36.75	Health and H'sehold Products	+10.85
Other Consumer	+34.22	Mechanical Engineering	+ 8.99
Investment Trusts	+34.06	Capital Goods	+ 8.11
Insurance Brokers	+32.04	Engineering Contractors	+ 6.18
Oils	+31.98	Gold Mines	+ 4.10
Leisure	+31.60	Brewers and Distillers	− 1.66
Property	+29.07	Electricals	− 3.81
		Contracting, Construction	− 7.86

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	67	3	31	382	11	102
Corpns. Dom. and Foreign Bonds	3	2	73	65	9	308
Industrials	178	138	1,145	1,280	857	4,876
Financial and Props.	63	63	392	676	282	1,644
Oils	14	18	86	112	116	360
Plantations	2	2	16	32	15	53
Mines	24	29	116	213	179	450
Others	43	65	75	281	285	360
Totals	334	320	1,934	3,051	1,764	8,153

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
Argyle Trust	43	+ 5	ICI	656	− 4
Atlantic Res	690	—	MEPC	264	+ 3
British Aerospace	145	+ 2	Rank Organisation	185	− 2
Candecca Res	145	+ 2	Saxon Oil	248	+11
Eagle Star	720	+ 5	Trident TV	116½	+ 2½
Floyd Oil	76	—	Westland	165	—

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Pict Petroleum	19	128	+11	BAT Inds	12	172	+ 4
Eagle Star	18	715	−15	Saxon Oil	12	237	− 8
Glaxo	17	730	+15	BTR	11	420	—
Dalgety	15	418	+10	Oxford Inst	11	310	+ 5
Bowater	14	264	+ 9	Cns Gold Flds	10	495	+ 2
GEC	13	178	− 2	RTZ	10	598	+ 3
Grand Met	13	338	− 7	Shell Trans	10	560	+ 1

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ended Thursday

Stock	No. of changes	Last Thurs. close	Change on week	Stock	No. of changes	Last Thurs. close	Change on week
Ryl Bk of Scot	67	224	+48	RTZ	59	598	+18
Eagle Star	65	715	− 5	Shell Trans	49	560	—
Midland Bk	63	400	−33	Cns Gld Fields	46	495	+ 1
Glaxo	54	730	+10	Pict Petroleum	45	128	+30
Bowater	51	264	+25	Grand Met	44	338	− 4
London Brick	51	133	+29	Beechams	32	320	+ 2
GEC	50	176	—	Bellair Cosmtcs	43	720	+125

INDUSTRIALS (13)

Bellair Cosmetics; Bibby (J.); Bridon; Dalgety; Dunhill; Francis Inds.; Pearson (S.); Reed Executive; Sonesson (W.); Staffs. Potts.; Do. 10pc Cnv Red Pf; Trafalgar House; Widney

INSURANCE (2)

Marsh & McLennan; Pearl

LEISURE (1)

Juliana's

NEW LOWS (4)

BREWERS (1)

Whitbread A

ELECTRICALS (1)

Immediate Bus. Sys.

FOODS (1)

Batleys of York

LEISURE (1)

Salmondage

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Dec 19	Jan 6	Mar 22	April 2
Jan 9	Jan 20	April 2	April 16
Jan 23	Feb 3	April 26	May 8

For rate indications see end of Share Information Service.

Money was given for the call in Trident TV A, Electronic Machine, Albion, Trust Securities, Bula and Ashley Industrial Trust. No puts or doubles were reported.

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −	Net Div.	Times covered	Gross Yield	P.E. Ratio
[illegible]											

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+ or −
[illegible]							

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −
[illegible]							

[illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri Dec 23 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs Dec 22 Index No.	Wed Dec 21 Index No.	Tues Dec 20 Index No.	Mon Dec 19 Index No.	Year ago (approx.) Index No.	1983 High	1983 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (203)	[illegible]													
2 Building Materials (24)	[illegible]													
3 Contracting, Construction (30)	[illegible]													
4 Electricals (38)	[illegible]													
5 Engineering Contractors (10)	[illegible]													
6 Mechanical Engineering (59)	[illegible]													
8 Metals and Metal Forming (9)	[illegible]													
9 Motors (17)	[illegible]													
10 Other Industrial Materials (15)	[illegible]													
21 CONSUMER GROUP (197)	[illegible]													
22 Brewers and Distillers (23)	[illegible]													
25 Food Manufacturing (22)	[illegible]													
26 Food Retailing (13)	[illegible]													
27 Health and Household Products (9)	[illegible]													
29 Leisure (23)	[illegible]													
32 Newspapers, Publishing (13)	[illegible]													
33 Packaging and Paper (14)	[illegible]													
34 Stores (47)	[illegible]													
35 Textiles (20)	[illegible]													
36 Tobaccos (3)	[illegible]													
39 Other Consumer (9)	[illegible]													
41 OTHER GROUPS (84)	[illegible]													
42 Chemicals (16)	[illegible]													
44 Office Equipment (4)	[illegible]													
45 Shipping and Transport (14)	[illegible]													
46 Miscellaneous (48)	[illegible]													
49 INDUSTRIAL GROUP (484)	[illegible]													
51 Oils (16)	[illegible]													
59 500 SHARE INDEX	[illegible]													
61 FINANCIAL GROUP (116)	[illegible]													
62 Banks (6)	[illegible]													
63 Discount Houses (8)	354.41	—	—	7.70	—	354.41	361.41	345.45	346.78	264.89	361.41 (21/12)	278.71 (31/1)	361.41 (21/12/83)	81.40 (10/12/74)
65 Insurance (Life) (9)	508.20	—	—	4.43	—	508.35	505.60	504.97	505.46	351.67	510.33 (13/12)	332.67 (12/1)	510.33 (13/12/83)	44.88 (2/1/75)
66 Insurance (Composite) (10)	255.69	+0.2	—	6.01	—	255.15	254.35	253.71	253.83	172.66	255.69 (23/12)	174.73 (4/1)	255.69 (23/12/83)	43.96 (13/12/74)
67 Insurance Brokers (7)	646.76	—	10.58	4.55	12.94	646.96	642.23	632.49	645.34	486.33	656.61 (14/12)	489.98 (1/1)	656.61 (14/12/83)	65.86 (16/12/74)
68 Merchant Banks (12)	243.52	+0.6	—	3.90	—	242.10	239.25	222.78	227.02	152.67	243.52 (23/12)	152.21 (1/1)	278.57 (15/5/72)	31.21 (7/1/75)
69 Property (54)	534.25	+0.2	5.67	3.66	23.60	533.39	531.70	522.55	522.51	410.28	535.16 (8/12)	410.37 (12/1)	535.16 (8/12/83)	56.01 (20/4/65)
70 Other Financial (18)	263.20	−0.5	10.47	5.16	11.51	264.44	265.68	263.98	261.44	180.25	265.68 (21/12)	183.25 (4/1)	303.18 (18/5/72)	33.29 (17/12/74)
71 Investment Trusts (107)	489.71	+0.1	—	3.72	—	489.27	477.24	471.94	470.15	354.40	489.71 (23/12)	358.26 (1/1)	489.71 (23/12/83)	71.63 (13/12/74)
81 Mining Finance (4)	280.94	—	9.39	5.19	13.07	280.92	279.92	282.34	276.78	226.54	330.44 (22/8)	236.76 (1/1)	330.44 (22/8/83)	66.31 (30/9/74)
91 Overseas Traders (15)	498.42	+0.1	7.69	7.52	18.55	498.03	497.24	496.39	495.68	383.80	505.99 (19/8)	387.81 (4/1)	505.99 (19/8/83)	97.37 (6/1/75)
99 ALL-SHARE INDEX (750)	469.24	−0.1	—	4.63	—	469.84	466.05	464.87	463.52	379.39	469.84 (22/12)	382.22 (1/1)	469.84 (22/12/83)	61.92 (13/12/74)

FIXED INTEREST

PRICE INDICES	Fri Dec 23	Day's change %	Thurs Dec 22	xd adj. today	xd adj. 1983 to date
British Government					
1 5 years	118.14	+0.18	117.93	—	11.39
2 5-15 years	132.11	+0.18	131.88	—	14.01
3 Over 15 years	141.55	+0.24	141.21	—	15.90
4 Irredeemables	151.57	—	151.57	—	13.57
5 All Stocks	130.47	+0.18	130.23	—	13.55
6 Debentures and Loans	107.86	+0.01	107.35	—	10.88
7 Preference	80.56	+0.13	80.46	—	6.52

AVERAGE GROSS REDEMPTION YIELDS	Fri Dec 23	Thurs Dec 22	Year ago (approx.)	1983 Highs	1983 Lows
British Government					
1 Low Coupons 5 years	9.32	9.32	8.98	10.18 (11/8)	8.69 (5/1)
2 15 years	9.98	9.99	10.11	10.97 (24/1)	9.62 (22/11)
3 25 years	9.73	9.74	10.40	11.18 (31/1)	9.47 (13/6)
4 Medium Coupons 5 years	10.87	10.89	11.43	12.16 (12/1)	10.76 (24/11)
5 15 years	10.55	10.56	11.28	12.16 (24/1)	10.42 (11/11)
6 25 years	10.01	10.02	10.82	11.76 (24/1)	9.89 (13/6)
7 High Coupons 5 years	11.05	11.06	11.55	12.29 (12/1)	10.85 (11/11)
8 15 years	10.75	10.75	11.50	12.28 (24/1)	10.63 (11/11)
9 25 years	10.11	10.12	10.84	11.82 (24/1)	10.04 (11/11)
10 Irredeemables†	9.74	9.72	10.42	11.07 (2/2)	9.49 (13/6)
11 Debs & Loans 5 years	11.50	11.50	12.41	12.99 (1/2)	11.42 (8/12)
12 15 years	11.53	11.53	12.44	12.88 (2/2)	11.46 (23/11)
13 25 years	11.56	11.56	12.47	12.98 (4/2)	11.46 (22/11)
14 Preference†	12.28	12.30	13.07	13.24 (24/1)	11.97 (1/7)

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	162.74	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p.

CONSTITUENT CHANGES: Charterhouse Group (68) and RIT & Northern (71) have been deleted and replaced by Charterhouse (J.) Rothschild (68) and London & Edinburgh Trust (69) respectively.

هكذا من الأصل

مكتاب الأصل

INSURANCE & OVERSEAS MANAGED FUNDS

Lloyds Life Assurance—cont.
Gartmore Funds—Series A

American Dec 20	171.8	[illegible]	....	—
British Dec 20	130.2	[illegible]	....	—
Commodity Dec 20	120.9	[illegible]	....	—
Extra Inc Dec 20	116.7	[illegible]	....	—
Far Eastern Dec 20	115.0	[illegible]	....	—
High Inc Dec 20	122.4	[illegible]	....	—
Income Dec 20	150.3	[illegible]	....	—
Global Strat Dec 20	181.5	[illegible]	....	—
Special Sits Dec 20	139.4	[illegible]	....	—
Gilt Dec 20	104.3	[illegible]	....	—
Japan Dec 20	174.8	[illegible]	....	—
U. Small Co's Dec 20	129.6	136.5	....	—
Man Curr Dec 20	153.9	[illegible]	....	—
Autrin Dec 20	114.1	[illegible]	....	—
Oil and Energy Dec 20	113.1	[illegible]	....	—
Gold Share Dec 20	76.5	[illegible]	....	—

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	66.3	70.3	....	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511

Money Mngr Dec 15	62.7	67.7	....	—
MM Flexible Dec 6	53.7	56.6	....	—
Fixed Interest Dec 1	56.4	59.4	....	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179
See adjacent page Mon-Fri and Stock Exchange Dealings page Sat.

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	310.4	—	....	—
Invest. Tst. Fd. Acc.	331.0	—	....	14.4
Property Fund Cap.	117.3	—	....	—
Property Fund Acc.	124.6	—	....	4.7
Flexible Fund Cap.	184.6	—	....	—
Flexible Fund Acc.	196.1	—	....	5.1
Fixed Int. Fd. Cap.	141.3	—	....	—
Fixed Int. Fd. Acc.	150.3	—	....	—
Gtd. Deposit Fd. Cap.	139.4	—	....	—
Gtd. Deposit Fd. Acc.	147.0	—	....	—
Equity Fund Cap.	131.9	—	....	—
Equity Fund Acc.	139.7	—	....	—
International Fd. Cap.	137.2	—	....	—
International Fd. Acc.	145.4	—	....	—
Capital Gwth. Fd.	425.4	—	....	—
Moneymaker Fund	174.3	—	....	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		239.6	....	—
Property Fund (A)		261.5	....	—
Agricultural Fund		1,122.5	....	—
Agric. Fund (A)		1,092.5	....	—
Abbey Nat. Fund		230.5	....	—
Abbey Nat. Fd. (A)		229.5	....	—
Investment Fund		140.4	....	—
Investment Fund (A)		138.4	....	—
Equity Fund		427.2	....	—
Equity Fund (A)		419.2	....	—
Money Fund		218.7	....	—
Money Fund (A)		214.7	....	—
Actuarial Fund		218.8	....	—
Gilt-edged Fund		194.8	....	—
Gilt-Edged Fd. (A)		194.8	....	—
Retire Annuity		357.4	....	—
Immed. Ann'ty		191.5	....	—
International Fd.		269.3	....	—
Bldg. Soc. Life Fd.		185.9	....	—

Property Growth Pensions & Annuities Ltd.

All Weather Ac. Uts.	252.2	265.5	....	—
Inv. Fd. Uts.		278.4	....	—
Pension Fd. Uts.		256.3	....	—
Conv. Pens. Fd.		297.6	....	—
Cnv. Pns. Cap. Ut.		221.6	....	—
Man. Pens. Fd.		340.9	....	—
Man. Pens. Cap. Ut.		253.8	....	—
Prop. Pens. Fd.		284.4	....	—
Prop. Pens. Cap. Uts.		214.5	....	—
Bldg. Soc. Pen. Ut.		258.5	....	—
Bldg. Soc. Cap. Ut.		197.7	....	—
Gilts Pens. Fd.		174.5	....	—
Gilts Pens. Fd. Cap.		151.6	....	—
Equity Pens. Fd.		259.9	....	—
Equity Pens. Fd. Cap.		226.6	....	—

Providence Capitol Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	106.9	112.8	+0.7	—
Fixed Interest Acc.	93.4	99.1	....	—
Intnl. Acc.	82.9	87.5	+0.1	—
Managed Acc.	92.9	97.9	+0.2	—
Property Acc.	114.1	120.4	....	—
Money Acc.	75.0	79.2	+0.1	—
Special Market Acc.	72.4	76.4	+0.4	—
Japan Acc.	68.4	72.3	+1.6	—
North America Acc.	73.3	77.4	-0.1	—
Pacific Acc.	52.8	55.8	-0.1	—
Technology Acc.	74.3	78.4	+0.6	—

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ. 031-225 2552

Managed	207.6	218.6	....	—
Property	153.4	161.5	....	—
Equity	243.2	256.1	....	—
International	212.5	223.7	....	—
Fixed Interest	171.2	180.3	....	—
Index Linked	98.8	104.1	....	—
Cash	132.0	139.0	....	—
Pension Managed	245.8	258.8	....	—
Pension Property	156.4	164.7	....	—
Pension Equity	292.7	308.2	....	—
Pension Intl.	255.6	269.1	....	—
Pension Fxd. Int.	182.2	191.8	....	—
Pension Index Linked	99.7	105.0	....	—
Pension Cash	149.5	157.4	....	—

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

	Series (2)			(1) Bid
Index Linked Fund	110.9	116.8	+0.1	111.5
Equity Fund	297.8	313.5	-0.3	298.3
Fixed Interest Fund	204.4	215.2	+0.3	204.7
Property Fund	214.7	226.0	....	215.1
International Fd.	195.6	203.2	-0.6	195.9
Deposit Fund	145.3	153.0	....	145.6
Managed Fund	246.8	259.8	-0.2	247.1
Int Bond Dec 20	—	—	....	£23.24

Series (2) Prices are for policies issued after 11/7/1982.
Series (1) These are bid prices for earlier policies.

Individual Pension Funds

Index Linked	128.8	135.6	+0.1	—
Equity	149.8	157.7	-0.1	—
Fixed Int	168.3	177.2	+0.2	—
Property	113.3	119.3	+2.1	—
International	164.0	172.7	-0.4	—
Deposit	114.4	120.5	....	—
Managed	155.0	163.2	+0.2	—

*Group Pension funds—Prices available on request.

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400
Maple Leaf Plans

Growth Account	453.7	—	....	—
Managed Account	274.6	—	....	—
Equity Account	303.3	—	....	—
Managed Fd. Accum.	131.7	138.6	....	—
Equity Fd. Accum.	138.5	145.8	....	—
Property Fd. Accum.	107.8	113.5	....	—
Fixed Int. Fd. Accum.	126.8	133.5	....	—
Intnl. Fd. Accum.	169.3	178.3	....	—

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Unigilt Trust	46.9	48.8	+0.6	10.70
Unidollar Trust	$16.19	17.32	....	1.30
Unibond Trust	$90.97	91.69	....	10.60

1, Thomas St., Douglas, Isle of Man 0624 23252

Uni-Australian Tst.	81.8	88.0	....	1.20
Uni-Aust. Mineral Tst.	70.6	76.0	....	1.4
Uni-Pacific Trust	181.3	195.0	....	—
Uni-International Tst.	74.3	79.9	....	1.4

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M. 0624-23911

ARMAC* Dec 5	$57.42	61.05	....	—
COUNT** Dec 5	£3.798	4.028	....	1.303
CANRHO** Dec 5	£2.481	2.651	....	—

Original issue *$10 and **£1. Next val. January 3.

Bridge Management Ltd.
GPO Box 590, Hong Kong

N'bashi Nov 30	Y43,380	44,500	....	43,331
Nippon Fd Dec 21	$30.21	31.55	....	0.86

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street, St. Helier, Jersey, C.I. 0534-73114

U.S. Dollar Denominated Funds

AmSmallerCos. Fd.	$2.130	2.290	....	—
Dollar Inc Fd.	$0.795	0.860	....	11.00
$ Mngd Curr'cy Fd	$9.20	4.69	....	5.60
First Intnl	$20.24	21.37	....	—
Gold Fund	$0.985	1.078	....	4.92
Normandie In SFdr	$11.27	12.12	....	—
Universal Grwth Fd	$0.912	0.981	....	—
World of Tech	$0.847	0.909	....	—

*New dealings Dec. 19.

Sterling Denominated Funds

American Invests	96.4	103.7	....	—
Australian Perf Fd	84.0	90.3	....	—
Far East Fund	108.5	116.5	....	1.00
Jersey Energy Tst	16.3	17.5	....	1.50
Jersey Gilt	22.3	23.8	....	11.66
UK Growth Fund	53.7	57.7	....	3.12
USM Fund	140.9	151.5	....	—

Sterling Deposit Funds

Mngd Currency (Inc)	£13.33	14.04	....	5.00
Do. (Accum)	£15.33	14.04	....	—
Cap Dep Tst	£16.20	16.21	....	0.25

Britannia Fund Managers I.o.M.
1, Thomas St, Douglas, IoM. 0624 4856

OFFSHORE AND OVERSEAS

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	99½	Exch. 11¼pc 1984	100⅛	–⅛	11.23	9.34
[illegible]	[illegible]	Exchequer 14pc 1984	101⅝	–⅛	13.74	9.14
97	92½	Exch. 3pc 1984	97⅜	.....	3.09	9.07
[illegible]	[illegible]	Treasury 12pc 1984	[illegible]	.....	11.78	9.22
107	[illegible]	Treasury 15pc 1985	105	.....	14.26	9.98
107	[illegible]	Exch. 12pc Cnv. '85	102⅜	.....	11.72	9.86
[illegible]	[illegible]	Treasury 3pc 1985	94⅞	.....	3.19	7.55
[illegible]	[illegible]	Treasury 11½pc 1985	102¼xd	.....	11.25	9.92
[illegible]	95	Treas 8¼pcCnv '85	98⅜	–⅛	8.29	9.73
[illegible]	[illegible]	Exch. 12¼pc 1985	103¼	.....	11.86	10.28
[illegible]	[illegible]	Exch. 11½pc '86	102⅜	.....	11.48	10.44
[illegible]	[illegible]	Treas 10pc Cnv 1986	101⅛	+⅛	9.84	9.20
89½	[illegible]	Treasury 3pc 1986	89⅛	+⅛	3.36	8.10
[illegible]	[illegible]	Exch. 10½pc Cv '86	101⅜	+⅛	10.36	9.83
[illegible]	[illegible]	Treasury 12pc '86	102½	.....	11.65	10.62
97½	[illegible]	Treasury 8¾pc '84-86	97½xd	+⅛	8.71	9.65
[illegible]	[illegible]	Treas. 12¾pc '86 Cnv.	[illegible]	+½	11.22	7.74
[illegible]	[illegible]	Exch. 14pc 1986	107½	+⅛	12.98	10.69
[illegible]	[illegible]	Exch 2½pc 1986	85½	+⅛	2.93	8.29
[illegible]	[illegible]	Exch. 13¼pc 1987	106½xd	+⅛	12.44	10.72
[illegible]	[illegible]	Treas 10¼pc Cnv '87	99⅛	.....	10.31	10.45
[illegible]	[illegible]	Exchequer 2½pc 1987	84	+⅛	3.00	[illegible]
[illegible]	[illegible]	Exch. 10½pc 1987	99⅝	+⅛	10.54	10.53
[illegible]	[illegible]	Funding 6½pc '85-87	92⅛	.....	7.09	9.45
[illegible]	96	Treas 10pc 1987	98¼	+⅛	10.18	10.59
86	[illegible]	Treasury 3pc 1987	83½xd	.....	5.60	8.51
[illegible]	[illegible]	Treas 12pc 1987	103⅛	+⅛	11.56	10.77
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked

[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Building Societies

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
100¼	99	Do. 11¼pc 19.3.84	100¼	.....	11.22	10.08
[illegible]	[illegible]	Do. 11¼pc 9.4.84	100¼	.....	11.22	10.20
[illegible]	99½	Do. 10⅝pc 30.4.84	100⅛	.....	10.67	10.00
[illegible]	[illegible]	Do. 10⅞pc 29.5.84	100⅛xd	.....	10.83	9.77
[illegible]	99½	Do. 10⅞pc 18.6.84	100⅛	.....	10.83	9.85
[illegible]	99½	Do. 10½pc 9.7.84	100½	.....	10.51	9.56
100½	[illegible]	Do. 10⅞pc 30.7.84	100½xd	+⅛	10.79	9.52
[illegible]	[illegible]	Do. 11¼pc 20.8.84	100½	.....	11.19	10.34
[illegible]	[illegible]	Do. 11pc 3.9.84	100⅛	.....	10.97	10.45
100¼	[illegible]	Do. 10⅜pc 8.10.84	100	.....	10.31	10.23
[illegible]	97⅛	Do. 10¼pc 3.11.84	100	.....	10.25	10.18

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS, H.P. & LEASING

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
*64	39	Guinness Peat	62	.....	B—	—	—	—
153	100	Hambros 5p	158	+4	3.28	—	4.8	—
347	177	Hill Samuel	333	.....	†9.1	—	1.9	—
86½	50	Hong Shng.$2.50	64	+2	†Q55c	—	7.6	—
76	57	Jessel Toyn. & Gillett	68	.....	†5.5	—	11.6	—
300	185	Joseph (Leo) £1	300xd	.....	11.25	—	5.4	—
122	94	King & Shax 20p	120	.....	7.5	—	8.9	—
435	270	Kleinwort B.L.	435	+5	11.0	—	1.6	—
576	393	Lloyds £1	525	–3	†24.58	3.8	6.7	4.3
*38½	25½	Manson Fin. 20p	35	.....	d1.0	1.1	4.1	(11)
535	234	Mercury Secs	535	+5	9.5	—	2.5	—

BANKS—Continued

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES & SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ENGINEERING

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCE

LEISURE

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—continued

Australians

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
28½	13½	♥ACM 20c	18	–½	—	—	—
52	32	Allstate Explr NL	35	.....	—	—	—
40	9	♥Australis Mng. NL	24	.....	—	—	—
25	11	Balmoral Resources	15½	+½	—	—	—
68	31	♥Black Hill Mins.	33	.....	—	—	—
87	51	♥Bond Corp.	63	.....	010c	♦	7.7
183	116	♥Bougainville 1 Kina	258	.....	[illegible]	1.2	1.3
374	204	♥CRA 50c	365	.....	10c	—	0.5
145	60	♥Carr Boyd 20c	75	.....	—	—	—
44	25	♥Central Kalgoorlie	36	.....	—	—	—
43	10	♥Central Pacific	21	.....	—	—	—
9	2¼	♥Cons Gold Mng Areas	3½	.....	—	—	—
17	3	♥Coopers Res N.L.	6	.....	—	—	—
255	183	♥Crusader Oil	195	–10	—	—	—
20	8	♥Cultus Pac NL	14	.....	—	—	—
19	7	♥Eagle Corp 10c	9½	.....	—	—	—
215	96	♥Emperor Mines	205	.....	—	—	—
14	8	♥Endeavour 20c	13	+½	—	—	—
58	17	♥Enterprise Gld Mns.	27	.....	—	—	—
810	500	♥GM Kalgoorlie 25c.	640	+10	hC10c	♦	1.0
24	6	Grt. Eastern Mines	21	.....	—	—	—
24	4	♥Great Victoria Gold	19	.....	—	—	—
32	15½	♥Haoma NW	18	.....	—	—	—
92	28	♥Hill Minerals N.L.	32	.....	—	—	—
41	13	♥Intnl Mining	16	.....	—	—	—
20	5	♥Ivanhoe Gld N.L.	10	.....	—	—	—
100	25	♥Jingellic Minerals	40	.....	—	—	—
42	15	♥Kalbara Min 20c	17	.....	—	—	—
23½	9	♥Keywest Inv.	25½	.....	—	—	—
134	54	♥Kitchener NL 25c.	82	+2	—	—	—
180	72	♥Meekatharra 25c	72	.....	—	—	—
58	24	♥Metals Ex 50c	41	.....	—	—	—
52	23	♥Metramar Mns 20c	46	.....	—	—	—
279	217	♥MIM Hldgs. 50c.	241	+1	Q5c	1.5	1.3
13	3	♥Mincorp 20c	10½	.....	—	—	—
0	3	♥Mt. Kersey Expl 25c.	4	.....	—	—	—
46	23	♥Newmetal 20c	31	.....	—	—	—
‡213	128	♥North B Hill 50c	197	+1	Q8c	♦	2.5
90	38	Nth. Kalgurli	65	+2	—	—	—
86	58	♥Oakbridge 50c.	60	–2	Q7c	1.5	6.3
37	23	Otter Explrn NL	11½	.....	—	—	—
150	64	♥Pancont'l 25c.	70	.....	—	—	—
9½	4	Pan Pacific Pets NL.	6½	–½	—	—	—
75	35	Paringa Mng & Expln 5p	68	.....	—	—	—
456	300	♥Peko-Wallsend 50c	384	.....	Q05c	♦	0.8
14	6	♥Pelsart Res NL.	10¼	.....	—	—	—
298	272	♥Renison 50c	232	.....	Q10c	8.1	7.5
270	135	♥Do Defd	218	.....	—	—	—
83	20	Samantha Explor NL	37	.....	—	—	—
32	24	Samson Explor NL.	26	.....	—	—	—
74	52	♥Selltrust 50c	54	.....	—	—	—
38	24	♥Sons of Gwalia N L	35	.....	—	—	—
27	11	♥Sthn. Goldfields	14	.....	—	—	—
19	7	♥Southern Pacific	20	.....	—	—	—
14	6	♥Southern Ventures 25c.	8	.....	—	—	—
30	17	♥Swan Res 20c	19	.....	—	—	—
110	60	♥Tunas Res N L.	90	.....	—	—	—
58	32	♥United Goldfields	52	.....	—	—	—
24	5	♥West Coast 25c.	8½	.....	—	—	—
38	12	♥Western Cont. 50c	12	.....	—	—	—
273	169	Westn. Mining 50c.	271	+3	Q2c	7.6	0.4
200	33	♥Whim Creek 20c	158	.....	—	—	—
47	7	Windsor Res. N.L.	19	.....	—	—	—
30	8	♥York Resources.	19	–1	—	—	—

Tins

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
245	175	Ayer Hitam $M1	205	.....	vQ85c	1.0	12.3
150	83	Geevor	128xd	.....	24.0	—	4.1
18	10	Gold & Base 12½p	10½	.....	—	—	—
435	290	Gopeng Cons.	390	.....	♦20.0	1.4	7.1
600	525	Hongkong	573	.....	22.0	♦	5.2
21	13	Jamar 12½p	16	.....	1.5	0.7	13.4
270	100	Kamunting $M0.50	200	.....	[illegible]	0.8	4.1
96	56	Malaysia Mng. 10c.	69	.....	[illegible]	0.9	‡
37	28	♥Pahang	46	.....	—	—	—
500	325	Pengkalen 10p	500	.....	1.0	—	0.3
530	225	Petaling $M1	505	.....	[illegible]	♦	11.9
250	183	Sungei Besi $M1	250	.....	[illegible]	[illegible]	‡
55	40	♥Supreme Corp M$1	50	.....	[illegible]	♦	2.3
250	93	Tanjong 15p	240	–10	g3.5	—	2.1
143	60	♥Tongkah H. Tin $M1	130	+10	[illegible]	1.6	1.2
300	190	Tronoh $M1	250	.....	vQ90c	1.1	10.0

Miscellaneous

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Yld Gr's
170	18	Admiral Mines	20	.....	—	—	—
90	34	♥Anglo-Dominion	60	.....	—	—	—
98	33	♥Anglo Utd. Dev.	33	.....	—	—	—
400	180	Centennial Minerals	240	+23	—	—	—
172	60	♥Colby Res Corp.	110	.....	—	—	—
825	315	Cons. Murch. 10c.	825	+25	100c	♦	7.4
£17½	£10¾	Eastern Trans Cons 50c	£17	.....	Q85c	4.9	2.5
240	170	Hampton Areas 10p	204	+1	3.75	2.1	2.5
215	103	♥Highwood Res	167	.....	—	—	—
£24½	£17½	Homestake Mining $1	£20¾	–¼	Q20c	—	0.7
495	273	Northgate C$1	335	–15	—	—	—
672	437	R.T.Z.	598	.....	t17.0	2.9	4.1
£147½	£100	[illegible]	£130	.....	Q9½%	32.5	7.6
190	13	♥Sabina Inds C$1	67	–3	—	—	—
763	[illegible]	♥Tara Exptn $1	750	–15	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Principal and interest tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(3).
- ♯ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ǁ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. D Issue price. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

Albany Inv. 20p	72	–1	Fin. 13% 97/02	£95¼	+¼
Bdg'wtr. Est. 50p	315	.....	Alliance Gas	75	.....
Craig & Rose £1	900xd	.....	Arnott	212	.....
Finlay Pkg. 5p	42	.....	Carroll (P.J.)	111	.....
Higsons Brew	85	.....	Concrete Prods.	89	.....
Holt (Jos) 25p	890	.....	Hall (R. & H.)	57	.....
I.O.M. Stm. £1	130	.....	Heiton (Hldgs.)	13½	+½
			Irish Ropes	35	.....
IRISH			Jacob	60	.....
Exch. 12% 1985	£99	.....	T.M.G.	65	.....
Nat 9¾% 84/89	£89	.....	Unidare	60	.....

OPTIONS

3-month Call Rates

Industrials		House of Fraser	21	Vickers	12
Allied Lyons	19	I.C.I.	45	Woolworth Hld.	35
BOC Grp	29	"Imps"	12		
B.S.R.	18	I.C.L.	6	**Property**	
Babcock	15	Ladbroke	21	Brit. Land	9
Barclays Bank	45	Legal & Gen.	45	Cap. Counties	15
Beecham	28	Lex Service	35	Land Sec.	34
Blue Circle	40	Lloyds Bank	58	MEPC	24
Boots	17	"Lots"	3	Peachey	17
Bowaters	22	London Brick	10	Samuel Props.	12
Brit. Aerospace	19	Lucas Inds.	16	Sterling Guar.	4
B.A.T.	74	"Mams"	12		
Brown (J.)	3	Mrks. & Spncr	20	**Oils**	
Burton Ord.	38	Midland Bank	42	Bristol Oil & Min.	6
Cadburys	11	N.E.I.	20	Brit. Petroleum	35
Courtaulds	11	Nat. West. Bank	55	Burmah Oil	16
Debenhams	14	P & O Dfd.	22	Charterhall	8
Distillers	20	Plessey	20	Premier	5
Dunlop	5	Racal Elect.	18	Shell	50
Eagle Star	68	R.H.M.	7	Tricentrol	20
F.N.F.C.	6½	Rank Org. Ord.	19	Ultramar	60
Gen. Accident	42	Reed Intnl.	34		
Gen. Electric	17	Sears	0		
Glaxo	75	T.I.	14	**Mines**	
Grand Met.	30	Tesco	16	Charter Cons.	22
G.U.S. 'A'	55	Thorn EMI	55	Cons. Gold	50
Guardian	45	Trusthouse	16	Lonrho	8
G.K.N.	16	Turner & Newall	8	Rio T. Zinc	58
Hawker Sidd	32	Unilever	75		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 20

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security

FINANCIAL TIMES
Saturday December 24 1983

MAN IN THE NEWS

Olivetti's fast driver

BY ALAN FRIEDMAN

"I LIKE very much to drive sports cars and to drive them fast. I also like to drive a fast company."

And that is precisely what Sig Carlo De Benedetti, chairman of Olivetti, has been doing this week and over the last five years. If Olivetti were a sports car it would almost certainly be a Ferrari. Sig De Benedetti's favourite means of transport.

When the 49-year-old, polytechnic-trained De Benedetti joined Olivetti in 1978, the company was struggling and

Carlo De Benedetti

debt-laden, with threequarters of its revenue from rather humdrum office equipment, namely the mechanical typewriter. Now it derives 70 per cent of its revenue from data processing systems. The company in 1978 had a negative book value of L20bn ($12m) and was losing L10bn a month.

This week De Benedetti walked proudly into the ballroom of Rome's Excelsior Hotel, surrounded by dozens of flashbulb wielding paparazzi, and told the world that American Telephone and Telegraph was paying $260m to buy 25 per cent of Olivetti as part of an industrial alliance designed to take on IBM "on a world level."

Since Wednesday's announcement De Benedetti had been receiving an endless stream of plaudits from Government ministers, Wall Street analysis and even L'Unita, the Communist Party daily. If before the AT & T deal he was already regarded as one of Italy's most prominent businessmen, he is now being feted with superlative praise.

Nonetheless, Carlo De Benedetti deserves attention. Born into a prosperous Jewish family in Piedmont which lost everything under the Nazis, he has gone from one corporate success to another. He started at the age of 24 and built his father's metal hose company into a publicly quoted engineering and automotive components company which was bought by Fiat in 1976.

Then came one of two hiccups in De Benedetti's otherwise steady rise to fortune (the other being an abortive 65 days as vice chairman of Banco Ambrosiano). He joined Fiat in 1976 with a 5 per cent shareholding, became chief executive and left following quarrels about style and policy after only three months. The patrician Fiat-owning Agnelli family was not ready for his abrasive management approach.

De Benedetti ("a brilliant but not a tender man", according to one ex-colleague) went on to start from scratch again. He bought a tanning company called CIR and in two years doubled turnover and increased staff from 500 to 3,000. Ever restless for something bigger to conquer, he accepted an offer to buy effective control of Olivetti in 1978 and to run the troubled company.

He plunged into Olivetti's many problems, slapping a 10 per cent price increase on products, cutting back debt through a recapitalisation, making six share issues in five years, laying off 20,000 workers and pushing the group's pioneering electronic typewriter. The figures now speak for themselves: Last year Olivetti made a net profit of L103bn ($61m) on turnover of L3,341bn ($1.9bn) and this year De Benedetti says it will have record profits on turnover of around L3,600bn ($2.1bn).

The deal with AT & T, which allows the American telecommunications giant to raise its stake to 40 per cent in four years, marks a dramatic climax in Olivetti's rise as a world-class data processing equipment group. IBM, according to De Benedetti, is "enemy number one" and the two groups plan to co-operate closely in an attempt to dominate the office automation market.

Acas bid to avert shipyard strike

BY DAVID GOODHART AND MARK MEREDITH

BRITISH SHIPBUILDERS is expected to meet Acas, the conciliation service, next week in a final attempt to avert the national shipbuilding strike called for January 6. Officials of the Confederation of Shipbuilding and Engineering Unions have already agreed to meet Acas.

However, there is slim hope that the talks will lead to a resolution despite the first sign yesterday of wavering support for the strike when workers at the small Henry Robb shipyard at Leith in Edinburgh voted against it.

All other yards so far have backed the strike which was called after a BS productivity deal was rejected. Members of the biggest union, the General, Municipal and Boilermakers, supported the call in a ballot by three to two. However, white-collar staff at several yards rejected the strike call.

Most of the 340 workers at Henry Robb attended the meeting yesterday. Mr John Keggie, the union convener, said industrial action would have provided an ideal opportunity for BS to close the yard. But the yard has completed its last order and is expected to face closure anyway, so the vote against may have reflected the workers' anxieties about forfeiting redundancy pay.

The unions at national level are evidently keen to avert the strike and believe they have several allies on the BS board who have been arguing for a softer line on the productivity deal.

Mr Alex Ferry, general secretary of the CSEU, has taken steps to ensure he can contact the executive members of the 13 unions in the confederation if there are developments over the holiday period.

● Mr David Basnett, general secretary of the GMB, said yesterday that the taxpayer could end up paying at least £40m to support up to 20,000 workers and their families if the Government did not intervene in the Scott-Lithgow crisis.

The yard, on the lower Clyde, faces almost certain closure after the loss of an £88m contract from Britoil for a semi-submersible drilling rig which was two years behind schedule.

Mr Basnett said: "The Government cannot just walk away from a dispute between British Shipbuilders (100 per cent state-owned) and Britoil (48 per cent state-owned). If they do the taxpayer will have to pick up a bill for at least £40m."

S. Africa to lift curbs on many imports

BY BERNARD SIMON IN JOHANNESBURG

SOUTH AFRICA is to abolish import controls on a wide range of products and simplify its import permit system from January 1, Dr Dawie de Villiers, the Minister of Industries and Commerce, said yesterday.

The relaxations are aimed at improving competitiveness among local industries, many of which operate as Government-sanctioned monopolies and cartels.

The authorities are anxious to use every possible tactic to bring down South Africa's inflation rate, currently around 11 per cent. Dr de Villiers said that "the cost structure of the industrial sector has an effect on the country's overall cost structure and could adversely affect its export competitiveness."

Pressure from the International Monetary Fund and the Gatt probably has also contributed to the decision to ease controls.

The 90 categories of products which will be freed from all restrictions include pesticides, pharmaceuticals, kitchenware, toys, games, leather goods, perfumery and hand tools. Up to now, permits for these items have been granted to meet importers' "full, reasonable requirements."

The Government announced earlier this month that controls on farm implements, cement and fertiliser will also be scrapped on January 1 and that restrictions on textile imports will be gradually phased out.

Items still on the restricted list include polymers and other chemicals, clothing, footwear and foodstuffs. According to Dr de Villiers, remaining import curbs are being "systematically reviewed with the purpose of lifting controls in those cases where it becomes possible."

South Africa's import control regulations will in future include only two categories, a "free" list and a residual group of products still subject to permits. An official of the Directorate of Import Control said yesterday that permits will be granted to meet full, reasonable requirements, although this wording will no longer appear in the regulations. A third category for which permits have up to now been issued only for individual shipments — for example, clothing — will fall away.

The Government's softening policy towards imports has been strongly criticised by local companies which established import replacement industries under the impression that they would be tightly protected against competition.

The chemical, clothing, cement, domestic apliance and paper industries are among those which have complained recently about inadequate protection.

● Nedbank, Barclays and Standard Bank said they were raising their prime rates to a record-equalling 20 per cent from 19.5 per cent, Reuter reports from Johannesburg.

Pretoria conscription, Page 2

Miners' funds offer £86m for Rampac

BY MICHAEL CASSELL AND TONY JACKSON

THE MINEWORKERS' Pension Fund yesterday announced a $123m (£86m) counterbid for Rampac, a Californian property investment trust. The fund, together with the National Coal Board Staff Superannuation Scheme, which has joined it in the bid, has built up a 10.45 per cent stake in Rampac over the last two years.

Clearance for the bid came less than 24 hours earlier in London, when trustees of the Mineworkers' Pension Fund were authorised by a High Court judge to pursue further investment in the U.S.

The three-day private hearing had been held because union-nominated trustees of the fund were opposing increased overseas investment and wanted to see the eventual disposal of all foreign assets. The court had been told that the fund wanted to go ahead with this particular investment opportunity without delay.

A decision was made to launch the bid after Rampac received an offer from Kohlberg, Kravis, Roberts, a New York-based general investment group. This offer, originally made at $34 a share in October and later raised to $35.25 led to agreement in principle to a takeover earlier this month.

The miners funds' bid is worth $37 for each Rampac share. It was made through Pan American Properties, one of the funds' U.S. investment vehicles.

The funds paid an average of $23 a share cash for their existing Rampac holding, and have put a deadline of January 23 on their bid which is conditional on 75 per cent acceptance.

Rampac's net assets stand at about $138m and its property portfolio is predominantly located in Los Angeles and San Francisco, cities in which the NCB pension funds are anxious to increase their investment exposure.

The investment trust has a half-share in a 500,000 sq ft office building on California Street, San Francisco, owns outright a 120,00 sq ft office tower on Flower Street, Los Angeles and has a 50 per cent stake in the Holiday Inn on San Francisco's Fisherman's Wharf.

In 1981 the NCB pension funds launched an unsuccessful $267m bid for Connecticut General Mortgage and Realty Investments and in 1979 they paid $144m for control of Continental Illinois Properties.

The current market value of properties held jointly by the two funds in the U.S., through a variety of investment companies, is approaching $600m.

The union-appointed trustees of the Mineworkers' Fund continue to oppose investments of this kind on principle, and will pursue the issue in a full trial, expected to take place in March.

Champagne corks pop in the City to celebrate a bubbly year

BY OUR CITY STAFF

THE CITY yesterday popped its traditional cork to celebrate the lunchtime Stock Exchange close on the final dealing day before Christmas after one of the best years in the history of the Stock Exchange. With all the main share indices having convincingly captured new heights, there was very little more to do than roll out the Moet, the Mumm and the Krug.

On "the last day," as they call it on the Stock Exchange floor, dealers are rarely short of liquidity.

While bargains were running at their highest level for years on the day befor the Christmas break, the brokers' boxes on the edge of the floor were awash with bubbly.

Elsewhere, the traditional pre-Christmas high jinks reached a climax around the Australian mining pitches, where two dealers spent much of the morning standing upside down in true Aussie fashion.

Behind the fun there was a note of comfort in that, in spite of such a small hiccup on the eve of Christmas Eve, the FT Industrial Ordinary Index, which measures the performance of 30 leading industrial shares had climbed from 590.2 to exactly 775 in the previous 364 days. Few cared that it shed 1.2 on the last morning.

The FT-Actuaries 500 Share Index has forged ahead from 419.38 to 500.56 in the year, while the FT-Actuaries index of 750 stocks which also includes the financial sector where much of the real action has been this year—has advanced from 379.39 to 469.84 since Christmas Eve 1982.

Yet in the quieter corners of City lunchrooms and bars, amid all the streamers, the more percipient folk were acknowledging that 1984 could be very different. The game is changing, as merchant bankers team up with jobbers, and U.S. investment houses prepare to plunder the best research and dealing talent in London before the great securities industry revolution gets under way.

The merchant banks and leading brokers remembered that their marketing skills are going to be put to the test next year when selling large amounts of State assets for a forceful Government.

City jobber closes in U.S., Page 4; Butlins and the Ritz, Page 12; Next Year in the City, Page 13

Continued from Page 1

Bible quotes

As for all the peacemakers, such as former U.S. envoy Philip Habib, who have criss-crossed the region in recent years, they would have been well-advised before starting on their journeys to have read Isaiah 33.7: "

The current Arab demands are encapsulated in Judges 11.13: "Because Israel took away my land . . . now therefore restore those lands again peacably." Ambassador Goss notes that later on in this passage it can be seen that the Israeli response is also unchanged 3,000 years later.

The dispute about Jewish settlements on the West Bank is foreshadowed in Isaiah 5.8: "Woe unto them that join house to house, that lay field to field, till there be no place, that the may be placed alone in the midth of the earth."

An apposite note about the shaky state of the Israeli economy is found, appropriately, in Lamentations 3.17: "Thou has removed my soul far off from peace: I forgat prosperity."

The constant bickering within and between Islael's many political parties is also nothing new: "And all the people were at strife throughout all the tribes of Israel" (II Samuel 19.9), and finally, just how powerful is Israeli influence on the U.S.? Mr Goss found that Job 39.27 posed the same question: "Doth the eagle mount up at they command?"

Retail sales

Continued from Page 1

does not start its sale until January 6.

Among bargains likely to be on offer next week are video-cassette recorders and large colour television sets. Trade analysts say many dealers have overestimated the pre-Christmas demand for these items and will be anxious to offload stocks after Christmas.

The buoyancy of retail sales this Christmas has not, however, overcome the concern among retailers about the likely level of demand next year.

Many fear that the factors behind the sales surge this year will begin to peter out, especially as consumers reach the limit of their spending on credit.

Retailers are expected to press the Government early in the New Year to help boost the economy with tax cuts and other measures to stimulate consumer spending. They feel that without these the level of demand in 1984 may at best remain the same as this year or, at worst, actually decline.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES:		
Argyle Trust	43	+ 5
Belgrave (Blackhth)	114	+ 4
Dalgety	428	+ 10
Dowty	127	+ 6
Eurotherm Intnl	243	+ 8
Flight Refuelling	231	+ 8
Fogarty	72	+ 4
Geers Grnss	114	+ 6
Hales Props	95	+ 7
Hambros	158	+ 4
Hewitt (J.)	120	+ 5
Juliana's	420	+ 20
Pearson (S.)	409	+ 5
Poseidon	285	+ 13
Sainsbury (J.)	466	+ 4
Staffs Potts	63	+ 4
Stylo	158	+ 5
Saxon Oil	248	+ 11
Cons Murchison	825	+ 25
FALLS:		
GR (Hldgs)	195	— 15
Grindlays Hldgs	155	— 15
ICI	656	— 4
Midland Bank	383	— 7
Resource Technology	170	— 5
Sterling Inds	90	— 8
Young (H.)	94	— 6

WORLDWIDE WEATHER

UK forecast: Rain with snow in Scotland but mild with gales in the South.

		Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	F	14	57	Corfu	F	14	57	Luxmbg.	C	9	48	Prague	C	5	41
Algiers	S	19	66	Dallast	C	−11	12	Madeira	F	20	68	Rykjvk.	Sn	−6	21
Amsdm.	C	9	48	Dublin	S	7	45	Madrid	C	10	50	Rhodes	T	16	61
Athens	F	16	61	Dbrvnk.	S	14	57	Majorca	S	19	66	Rio J'o		—	—
Bahrain	F	19	66	Ednbgh.	R	5	41	Malaga	S	17	63	Rome	S	14	
Barclna.	S	19	66	Florence	S	13	55	Malta	S	16	61	Salzbrg.	C	6	43
Belfast	F	6	43	Frankft.	C	9	48	M'chstr.	F	8	46	S'cisco†	R	8	46
Belgrd.	C	7	45	Geneva	R	7	45	Mex.C.†		—	—	Singapr.	S	−4	25
Berlin	R	6	43	Gibrltr.	S	17	63	Miami†	F	21	70	S'tiago†		—	—
Biarritz	S	19	66	Gl'sg'w	R	6	43	Milan	S	4	39	Stckhm.	R	2	36
Bmghm.	S	10	50	G'rnsey	C	11	52	Montrl†	F	−11	12	Strasbg	R	10	50
Blackpl.	C	8	46	Helsinki	Fg	2	36	Munich	C	7	45	Tel Aviv	S	19	66
Bombay	S	29	84	H. Kong	C	16	61	Nairobi	R	17	63	Tenerife	S	25	77
Bordx	C	16	61	Innsbrk.	R	3	37	Naples	S	14	57	Tokyo	S	12	54
Boulgn.	C	9	48	Invrnss.	C	3	37	Nassau		—	—	T'r'nto†	C	−12	10
Bristol	C	11	52	I.o Man	C	8	46	Nwcstl	R	6	43	Tunis	F	18	64
Brussels	F	11	52	Istanbul	R	12	54	N. Delhi	S	18	64	Valencia	S	19	66
Cairo	S	20	68	Jersey	C	11	52	N. York†	F	−2	28	Venice	C	9	48
Cardiff	F	11	52	Jo'burg	F	24	75	Nice	S	14	57	Vienna	C	7	45
Cape T.	S	26	79	L. Plms.	S	23	73	Nicosia	F	18	64	Warsaw	S	4	39
Chicg.†	F	−23	−9	Lisbon	S	13	55	Oslo	C	1	34	Zurich	R	6	43
Cologne	C	10	50	Locarno	C	3	37	Paris	C	12	54	L. Ang.†	F	9	48
Cpnhgn.	C	6	43	London	C	12	54	Peking	S	0	32				

C—Cloudy. F—Fair. Fg—Fog. H—Hail. Sn—Snow. T—Thunder. R—Rain. S—Sunny. Sl—Sleet. †Noon GMT temperatures.

THE LEX COLUMN

Privatisers on parade

Index fell 1.2 to 775.0

Competition has intensified among the merchant banks to win plum privatisation contracts acorss the whole spectrum of marketable public assets. Lex has obtained a number of the written propositions so far put up to the Treasury:

Bank of England

The prospect of returning to private ownership after 37 years in the public sector already seems to have galvanised this old-established corporation. In recent months it has made a determined play to dominate a whole range of London's financial markets—from Lloyd's to the Stock Exchange.

This, combined with its pre-eminent siting in theheart of the City, seems certain to make it a prize takeover candidate for an ambitious New York financial conglomerate. HMG might be tempted to protect the national interest by encumbering the issue with a "golden share" device, but we should point out that this could greatly reduce the amount raised upon floatation:

The Bank's balance sheet is full to the brim with commercial paper, to the point where is resembles nothing so much as a vulnerably small clearing bank—and this is liable to drag its rating down. Moreover, the Issue Department is totally dependent on Government contract work and a Treasury assurance of continuity is a *sine qua non*.

H.M. Prisons

We are confident that HM Prisons plc can become a core holding in leisure portfolios by 1986, though a change of name —and we might suggest Time Services plc — will obviously be important. Doing "Time" in a volatile market would be hazardous, probably leaving too much stock with insiders. But the risks here could easily be reduced if selected institutions were held for questioning beforehand, with early release available for good behaviour.

The company will present investors with a labour intensive business which has prospered away from the public eye for many years. Its basic manufacturing operations remain very competitive and include a fashion-free textiles line as well as a securely non-cyclical building materials division This latter turns big rocks into little ones with a minimal reliance on high technology, or indeed any

technology at all, and has the added virtue of low unit wage costs. Despite the low wages, or in some cases because of them, the company has however to keep an extremely close eye on cash flow.

A high proportion of its employees have been serving "Time" for many, many years; but you should not rely on this for any share option schemes. The workforce could provide a captive market, though, for some additional underwriting arrangements' conceivably reducing your launch costs by a useful margin.

British Fluids

Although the Government is introducing an element of competition to this corporation's captive market, in allowing rural householders to dig pits in their own back yards, we do not believe that BF's dominance will be seriously threatened. The regular tide of its business will lead many investors to rate it as a utility. But there are exciting organic growth prospects, a firm link with the cable-TV industry, and a potential cross-channel tie-up with Eaux de France creates an international dimension.

There is no denying that the necessary replacement of BF's sub-pavement assets will be a capital drain for years to come: on the positive side, the associated tax allowances will means that all profits will flow straight through to the bottom line. Institutions are bound to welcome this stock as a means to make up their weighting in the highly-capitalised health and household sector.

British Museum

This can be made to look the asset play par excellence. While the historic cost balance sheet looks extremely unimpressive, a revaluation to current auction prices would bring shareholders' equity into the front rank of UK companies. Like many institutions the BM has inner reserves—in this case extensive cellars crammed to bursting point under Bloomsbury—allowing considerable potential to be unlocked should the company leave the public sector. The internationally-respected reading room houses an unrivalled data base of material—acquired at very reasonable, in fact, no cost—which could be aggressively marketed.

The claims of the Greek Government on some of the assets give an arms-lengths confirmation of the very high valuation of the portfolio. Should the Grek initiative prove successful, the legal technicalities now preventing realisations will be swept aside, at least in the market's eyes. The implications for the revenue account would be further enhanced once admission to the galleries is no longer accounted as a public service.

Sellafield

Sellafield is a spearhead of the international nuclear pollution industry, and already dominates this growth sector. With a pre-tax profit in excess of £50m last year, its high rate of physical intake has made it one of Britain's most consistent invisible exporters of late.

The launch of Amersham International two years ago provided a measure of the market's appetite for nuclear stock. Nevertheless, we do not feel that the tender mechanism would raise the market to the critical temperature needed for success, and advise you to revert on this occasion to a fixed price offer.

"We are of the opinion that the DPP's interest in the company's affairs can be safely stowed away in the small print of the contingent liabilities paragraph. Despite the recent change of name, investor recognition should be no problem and we are confident of adequate TV coverage to support the launch.